

Tuesday, 14th February, 1950



PARLIAMENTARY DEBATES

(PART I—QUESTIONS AND ANSWERS)

OFFICIAL REPORT

VOLUME I, 1950

(1st February to 13th March, 1950)

FIRST SESSION
OF
PARLIAMENT OF INDIA
1950

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CORRIGENDA

In the Parliamentary Debates (Part I—Questions and Answers), First Session, 1950—

In Volume I,—

1. No. 3, dated the 3rd February, 1950,—
 - (i) Page 55, line 8, for "*Shiromoni*" read "*Shiromani*";
 - (ii) Page 68, line 18 from bottom, for "*Seht*" read "*Seth*";
2. No. 4, dated the 6th February, 1950,—
 - (i) Page 70, line 19 from bottom, after "*Will*" insert "*the*";
 - (ii) Page 82, omit line 10;
3. No. 5, dated the 7th February, 1950,—
 - (i) Page 98, line 4 from bottom, for "*or*" read "*of*";
 - (ii) Page 112, line 9, for "*fields*" read "*oil-fields*";
4. No. 6, dated the 8th February, 1950,—
 - (i) Page 136, last line, for "*does not go*" read "*goes*";
 - (ii) Page 139, line 21 from bottom, for "*Sadar*" read "*Hardar*";
 - (iii) Page 140, line 11 from bottom, for "*peased*" read "*pleased*";
 - (iv) Page 143, line 11 from bottom, for "*delaying*" read "*defying*";
5. No. 7, dated the 9th February, 1950,—

Page 174, last line, for "*(52)*" read "*(25)*";
6. No. 8, dated the 10th February, 1950,—
 - (i) Page 195, line 11, for "*completed*" read "*complete*";
 - (ii) Page 204, line 4, for "*lakhs*" read "*lakh*";
7. No. 9, dated the 13th February, 1950,—

Page 208, line 8, after "*in*" insert "*a*";
8. No. 11, dated the 16th February, 1950,—
 - (i) Page 280, line 3, after "*apart*" insert "*from*";
 - (ii) Page 281, insert "*IMPROVEMENT OF TOBACCO CULTIVATION*" as heading to Starred Question No. 270;
9. No. 13, dated the 20th February, 1950,—
 - (i) Page 327, line 2, for "*Wil*" read "*Will*";
 - (ii) Page 335, lines 2 and 3, for "*hydrometeorologica*" read "*hydro-meteorological*";
 - (iii) Page 348, line 18, for "*No. P-65/50*" read "*No. P-64/50*";
10. No. 14, dated the 21st February, 1950,—
 - (i) Page 386, line 3 from bottom, before "*Will*" insert "*(a)*";
 - (ii) Page 388, in heading to Unstarred Question No. 49, for "*AUD*" read "*AND*";

11. No. 15, dated the 22nd February, 1950,—
Page 415, line 10 from bottom, for "Appendix I" read "Appendix III";
12. No. 16, dated the 23rd February, 1950,—
 - (i) Page 423, line 8, for "Railway" read "Railways";
 - (ii) Page 424, line 12, after "Railway" insert "survey" and line 27, for "have" read "has";
 - (iii) Page 444, line 9 from bottom, for "Sum" read "Sun";
13. No. 17, dated the 24th February, 1950,—
 - (i) Page 471, line 4 from bottom, for "catting" read "calling";
 - (ii) Page 472, line 19, for "Government" read "Governments";
14. No. 18, dated the 27th February, 1950,—
 - (i) Page 490, line 2, for "had" read "hard";
 - (ii) Page 500, for existing heading to Starred Question No. 580, read "EXPORT OF MICA";
15. No. 19, dated the 28th February, 1950,—
 - (i) Page 516, line 1, for "remissi of th" read "remission of the";
 - (ii) Page 522, line 1, for "lik" read "likely";
 - (iii) Page 526, line 8 from bottom, before "discontinue" insert "to" and for "telegram" read "telegrams";
16. No. 20, dated the 1st March, 1950,—
 - (i) Page 553, last line, omit "the" before "so-called";
 - (ii) Page 554, line 17, for "Gove nment" read "Government";
 - (iii) Page 560, line 16, for "re-introduction" read "re-introduced";
17. No. 21, dated the 2nd March, 1950,—
 - (i) Page 567, line 14 from bottom, after "put" insert "up";
 - (ii) Page 578, line 2 from bottom, after "that" insert "may";
 - (iii) Page 585, in heading to Starred Question No. 609, for "PPERSONS" read "PERSONS";
18. No. 22, dated the 6th March, 1950,—
Page 616, line 1, before "limits" insert "age";
19. No. 23, dated the 7th March, 1950,—
Page 640, lines 1 and 2, for "Infomation" read "Information";
20. No. 24, dated the 8th March, 1950,
Page 658, line 3, for "ot" read "to";
21. No. 26, dated the 10th March, 1950,—
Page 717, line 14, for "not" read "note";
22. No. 27, dated the 11th March, 1950,—
 - (i) Page 749, line 10, for "pudchase" read "purchase";
 - (ii) Page 755, line 2 from bottom, for "corruption" read "consumption";
23. No. 28, dated the 13th March, 1950,—
 - (i) Page 787, line 8, for "outpt" read "output";
 - (ii) Page 788, line 17, for "is" occurring after "There" read "are";

In Volume II,—

24. No. 1, dated the 14th March, 1950,—

- (i) Page 825, line 6 from bottom, for "Ferbruary" read "February";
- (ii) Page 833, line 16 from bottom, for "Far" read "far";

25. No. 2, dated the 15th March, 1950,—

Page 857, line 16, for "Boys" read "Boy";

26. No. 4, dated the 17th March, 1950,—

- (i) Page 899, for line 22, read "that if he was invited he would be prepared to come again, and, if so, is there";
- (ii) Page 901, omit line 9 from bottom;
- (iii) Page 918, in heading to Starred Question No. 944, for "COMMUNICATN" read "COMMUNICATION";

27. No. 5, dated the 20th March, 1950,—

Page 927, line 11 from bottom, for "instalments" read "instalmental";

28. No. 6, dated the 21st March, 1950,—

Page 969, for existing last two lines read "Dr. S. P. Mookerjee: I think that question will arise after the Institute comes into existence";

29. No. 8, dated the 23rd March, 1950,—

Page 1020, line 14 from bottom, for "moring" read "morning";

30. No. 9, dated the 24th March, 1950,—

Page 1059, line 21, for "ptased" read "pleased";

31. No. 10, dated the 27th March, 1950,—

- (i) Page 1075, line 5 from bottom, for "go" read "got";
- (ii) Page 1082, line 3 from bottom, after "of" insert "the";
- (iii) Page 1101, last line, for "strinency" read "stringency";

32. No. 11, dated the 29th March, 1950,—

- (i) Page 1125, omit line 5 from bottom and after line 3 from bottom, insert "Appendix VI, Annexure No. 5";
- (ii) Page 1131, line 1, after "block" insert "grant";
- (iii) Page 1138, line 20, for "Cindhya" read "Vindhya";

33. No. 12, dated the 30th March, 1950,—

- (i) Page 1172, omit line 16 and in line 17, for "1848" read "1948";
- (ii) Page 1177, in heading to Starred Question No. 1252, for "IMMI-GRANTS" read "INSURGENTS";

34. No. 13, dated the 31st March, 1950,—

Page 1213, line 23, for "1:74 and 1:17" read "1.74 and 1.17";

35. No. 14, dated the 1st April, 1950,—

Page 1242, line 13 from bottom, for "1325" read "1025";

36. No. 15, dated the 3rd April, 1950,—

- (i) Page 1254, line 1, for "**Dr. P. S. Mookerjee**" read "**Dr. S. P. Mookerjee**";
- (ii) Page 1268, line 16 from bottom, for "*rehbiwalas*" read "*Rahri-walas*";
- (iii) Page 1271, line 9 from bottom, for "Ministry" read "Minister";

37. No. 16, dated the 4th April, 1950,—

- (i) Page 1282, line 2 from bottom, for "happend" read "happened" and line 1 from bottom, omit "here";
- (ii) Page 1291, line 5 from bottom, after "that" insert "may be";

38. No. 18, dated the 6th April, 1950,—

- (i) Page 1358, in heading to Starred Question No. 1467, for "EXPERTS" read "EXPORTS"; line 21, for "4" read "41" and line 6 from bottom, for "spending" read "sending";
- (ii) Page 1354, line 4, for "hunred" read "hundred";
- (iii) Page 1372, line 1, for "(i)" read "(ii)";

39. No. 19, dated the 8th April, 1950,—

- (i) Page 1379, line 16, after "fact" insert "that";
- (ii) Page 1388, line 5, for "ond" read "and" and line 15, for "held" read "help";

40. No. 20, dated the 10th April, 1950,—

Page 1488, last line, for "of broadcasting is completed" read "devolved upon the Government of India?";

41. No. 21, dated the 11th April, 1950,—

Page 1460, line 11, for "No. II" read "No. 11";

42. No. 22, dated the 12th April, 1950,—

- (i) Page 1486, lines 2 and 1 from bottom, for "intstituted" read "instituted";
- (ii) Page 1496, between lines 12 and 13 from bottom, insert "STATEMENT BY MINISTER OF STATE FOR TRANSPORT re EXPENDITURE IN ASSAM";
- (iii) Page 1499, in heading to Starred Question No. 1664, for "NDORE" read "INDORE";
- (iv) Page 1501, line 9 from bottom, for "Telgu" read "Telugu";

43. No. 23, dated the 14th April, 1950,—

Page 1505, line 8, for "**Homes**" read "**Home**";

44. No. 25, dated the 17th April, 1950,—

- (i) Page 1572, line 8, for "acrerage" read "acreage";
- (ii) Page 1594, line 5, for "Project" read "Projects";
- (iii) Page 1597, line 3 from bottom, after "to" insert "a";
- (iv) Page 1598, line 20 from bottom, for "1773" read "1788";
- (v) Page 1603, in heading to Starred Question No. 1794, for "SERDS" read "SEEDS";

In Volume III,—

45. No. 1, dated the 18th April, 1950,—

- (i) Page 1622, line 2 from bottom, for "28,73" read "28,739";
- (ii) Page 1634, in heading to Starred Question No. 1795, for "INCUME-TAX" read "INCOME-TAX";
- (iii) Page 1636, in heading to Starred Question No. 1827, for "KAM-PUR" read "KAMALPUR";

46. No. 2, dated the 19th April, 1950,—

- (i) Page 1657, line 3 from bottom, for "loging" read "losing"; and
- (ii) Page 1670, line 9, for "kutch" read "Kutchha".

In Volume I,—

1. No. 9, dated the 13th February, 1950,—

- (i) पृष्ठ २१२, पंक्ति २ पर "भेज" की जगह "भेजे" पढ़ें।
- (ii) पृष्ठ २१२, पंक्ति नीचे से ऊपर को ६ पर "हे" की जगह "है" पढ़ें।
- (iii) पृष्ठ २१३, पंक्ति ५ पर "जारी" की जगह "जारी" पढ़ें।

2. No. 11, dated the 16th February, 1950.—

पृष्ठ २६७, पंक्ति ३२ पर "मंजूर" की जगह "मंजूर" पढ़ें।

3. No. 12, dated the 17th February, 1950,—

- (i) पृष्ठ २९५, पंक्ति १० पर "ह" की जगह "हर" पढ़ें।
- (ii) पृष्ठ २९५, पंक्ति ११ पर "इसक" की जगह "इसके" पढ़ें।
- (iii) पृष्ठ २९७, पंक्ति २९ पर "जवान" की जगह "जवाब" पढ़ें।
- (iv) पृष्ठ २९७, पंक्ति नीचे से ऊपर को ४ पर "पूछना" की जगह "पूछना" पढ़ें।
- (v) पृष्ठ ३०२, पंक्ति ५ पर "गोविन्द" की जगह "गोविन्द" पढ़ें।
- (vi) पृष्ठ ३०२, पंक्ति ६ पर "मे" की जगह "में" तथा "वैज्ञानिक" की जगह "वैज्ञानिक" पढ़ें।
- (vii) पृष्ठ ३०२, पंक्ति १३ पर "बिठई" की जगह "बिठाई" पढ़ें।
- (viii) पृष्ठ ३०२, पंक्ति २३ पर "।" की जगह "?" पढ़ें।
- (ix) पृष्ठ ३०३, पंक्ति २९ पर "रिकमर्सेन्स" की जगह "रिकमर्सेन्स" पढ़ें।

4. No. 14, dated the 21st February, 1950,—

- (i) पृष्ठ ३६०, पंक्ति ३१ पर "कोर्टस" की जगह "कोर्ट्स" पढ़ें।
- (ii) पृष्ठ ३७१, पंक्ति २४ पर "उसस" की जगह "उससे" पढ़ें।

5. No. 16, dated the 23rd February, 1950,—

- (i) पृष्ठ ४२८, पंक्ति २ पर "पड़ा" की जगह "पड़ा" पढ़ें।
- (ii) पृष्ठ ४२८, पंक्ति १० पर "भाजी" की जगह "भाजी" पढ़ें।

- (iii) पृष्ठ ४२८, पंक्ति ११ पर " वक्त " की जगह " वक्त " पढ़ें ।
- (iv) पृष्ठ ४२८, पंक्ति नीचे से ऊपर को ९ पर " राशन का " की जगह " राशन काडें " पढ़ें ।
- (v) पृष्ठ ४३१, पंक्ति १४ पर " बड़की " की जगह " कुड्डी " पढ़ें ।

6. No. 17, dated the 24th February, 1950,—

पृष्ठ ४७१, पंक्ति नीचे से ऊपर को ११ " यूनिवर्सिटी " की जगह " यूनिवर्सिटी " पढ़ें ।

7. No. 20, dated the 1st March, 1950,—

पृष्ठ ५६०, पंक्ति १९ पर " सविसेज " की जगह " सविसेज " पढ़ें ।

8. No. 23, dated the 7th March, 1950,—

पृष्ठ ६४८, पंक्ति २३ पर " गवर्नमेंट " की जगह " गवर्नमेंट " पढ़ें ।

9. No. 26, dated the 10th March, 1950,—

पृष्ठ ७२७, पंक्ति नीचे से ऊपर को ५ पर " उन ो " की जगह " उनको " पढ़ें ।

In Volume II,—

10. No. 2, dated the 15th March, 1950,—

(i) पृष्ठ ८४०, पंक्ति नीचे से ऊपर की ओर ८ पर " गोविन्ददास " की जगह " गोविन्द दास " पढ़ें ।

(ii) पृष्ठ ८४०, पंक्ति नीचे से ऊपर की ओर ७ पर " गाइंस " की जगह " गाइंस " पढ़ें ।

(iii) पृष्ठ ८४४, पंक्ति २० पर " नहीं " की जगह " न ही " पढ़ें ।

11. No. 6, dated the 21st March, 1950,—

(i) पृष्ठ ९५०, पंक्ति नीचे से ऊपर ४ पर " ट्रेड " की जगह " ट्रेड " पढ़ें ।

(ii) पृष्ठ ९६८, पंक्ति १८ पर " रीडिंग रोड " की जगह " रीडिंग रोड " पढ़ें ।

12. No. 15, dated the 3rd April 1950,—

पृष्ठ १२६५, पंक्ति ३ पर " है " की जगह " है " पढ़ें ।

13. No. 17, dated the 5th April, 1950,—

पृष्ठ १३३२, पंक्ति २६ पर " बहुत " की जगह " बहुत " पढ़ें ।

14. No. 18, dated the 6th April, 1950,—

पृष्ठ १३५३, पंक्ति २२ पर " जितना " की जगह " जितना " पढ़ें ।

15. No. 24, dated the 15th April, 1950,—

(i) पृष्ठ १४४३, पंक्ति नीचे से ऊपर ५ पर " ओर " की जगह " ओर " पढ़ें ।

(ii) पृष्ठ १५७७, पंक्ति १९ पर " अनुसन्धान " की जगह " अनुसन्धान " पढ़ें ।

16. No. 25, dated the 17th April, 1950,—

(i) पृष्ठ १५७२, पंक्ति ४ पर " जेक " की जगह " जॉक " पढ़ें ।

(ii) पृष्ठ १५७२, पंक्ति ५ पर " याजना " की जगह " योजना " पढ़ें ।

In Volume III,—

17. No. 1, dated the 18th April, 1950,—

पृष्ठ १६१६, पंक्ति १० पर " करें " की जगह " करेंगे " पढ़ें ।

In Volume I—

1. No. 7, dated the 9th February, 1950.

صفحہ ۱۵۷ - نہچے سے سطر ۱۱ - دد مانی " کے بجائے دد مانیہ " پڑھیں -

2. No. 9, dated the 13th February, 1950.

(۱) صفحہ ۲۱۰ - نہچے سے سطر ۴ - دد آب " کے بجائے دد ایف " پڑھیں -

(۲) صفحہ ۲۱۱ - سطر ۱۱ - دد ارو " کے بجائے دد اور " پڑھیں -

3. No. 12, dated the 17th February, 1950.

صفحہ ۳۱۲ - سطر ۱۶ - دد الہ " کے بجائے دد اللہ " پڑھیں -

4. No. 14, dated the 21st February, 1950.

(۱) صفحہ ۳۷۷ - نہچے سے سطر ۱۶ - دد الٹی " کے بجائے دد اکتی " پڑھیں -

(۲) صفحہ ۳۷۸ - سطر ۱۱ - دد تسم " کے بجائے دد تام " پڑھیں -

5. No. 17, dated the 24th February, 1950.

(۱) صفحہ ۳۶۵ - سطر ۲۰ - دد کہ " کے بجائے دد کا " پڑھیں -

(۲) صفحہ ۳۶۷ - نہچے سے سطر ۴ - دد مولا " کے بجائے دد مولانا " پڑھیں -

(۳) صفحہ ۳۷۶ - نہچے سے سطر ۳ - دد اللہ " کے بجائے دد اللہ " پڑھیں -

6. No. 20, dated the 1st March, 1950.

(۱) صفحہ ۵۵۳ - نہچے سے سطر ۱۷ - دد اراں " کے بجائے دد آزاد " پڑھیں -

(۲) صفحہ ۵۶۳ - سطر ۱ - دد ضروری " کے بجائے دد ضروری " پڑھیں -

7. No. 21, dated the 2nd March, 1950.

صفحہ ۵۸۷ - سطر ۱۸ - دد ہوتے " کے بجائے دد ہونے " پڑھیں -

8. No. 23, dated the 7th March, 1950.

(۱) صفحہ ۶۳۱ - سطر ۱۷ - دد مریکہ " کے بجائے دد امریکہ " پڑھیں -

(۲) صفحہ ۶۳۷ - نہچے سے سطر ۴ - دد بے " کے بجائے دد سب " پڑھیں -

(۳) صفحہ ۶۳۷ - نہچے سے سطر ۷ - دد دیہانی " کے بجائے دد دیہاتی " پڑھیں -

9. No. 26, dated the 10th March, 1950.

(۱) صفحہ ۷۲۵ - سطر ۷ - دد شمعہی " کے بجائے دد سمجھی " پڑھیں -

(۲) صفحہ ۷۲۵ - سطر ۸ - دد پیکلک " کے بجائے دد پیکلک " پڑھیں -

(۳) صفحہ ۷۲۷ - سطر ۵ - دد جی - ایس - مسافر " کے بجائے دد گہانی جی - ایس - مسافر " پڑھیں -

(۴) صفحہ ۷۲۷ - سطر ۱۰ - دد قسم " کے بجائے دد رقم " پڑھیں -

(۵) صفحہ ۷۲۸ - سطر ۲ - دد بھی " کے بجائے دد بھی " پڑھیں -

(۶) صفحہ ۷۲۸ - نہچے سے سطر ۱۵ - دد اللہ " کے بجائے دد اللہ " پڑھیں -

(۷) صفحہ ۷۲۸ - نہچے سے سطر ۱۵ - دد کرے " کے بجائے دد کرنے " پڑھیں -

(۸) صفحہ ۷۳۰ - نہچے سے سطر ۶ - دد ساتھ " کے بجائے دد ساتھ " پڑھیں -

(۹) صفحہ ۷۳۰ - نہچے سے سطر ۷ - دد نوکری " کے بجائے دد نوکریوں " پڑھیں -

(۱۰) صفحہ ۷۳۰ - نہچے سے سطر ۱۲ - دد ہادے " کے بجائے دد بارے " پڑھیں -

(۱۱) صفحہ ۷۳۵ - نہچے سے سطر ۱۰ - دد افراد " کے بجائے دد افراد " پڑھیں -

(۱۲) صفحہ ۷۳۵ - نہچے سے سطر ۱۳ - دد گوا " کے بجائے دد گوارا " پڑھیں -

10. No. 27, dated the 11th March, 1950.

- صفحہ ۷۵۱ - نیچے سے سطر ۳ - دہ اور وہ ۲۲ کے بجائے دہ اور وہ ۲۲ پڑھیں -
In Volume II—

1. No. 2, dated the 15th March, 1950.

- (۱) صفحہ ۸۵۳ - نیچے سے سطر ۹ - دہ + دہ ۲۲ کے بجائے دہ ۲۰ پڑھیں
(۲) صفحہ ۷۵۲ - سطر ۱۶ - دہ پڑھیں ۲۲ کے بجائے دہ پڑھیں ۲۲

2. No. 5, dated the 20th March, 1950.

- صفحہ ۹۳۹ - نیچے سے سطر ۳ - دہ آزاد ۲۲ کے بجائے دہ آزاد ۲۲ پڑھیں -

3. No. 11, dated the 29th March, 1950.

- (۱) صفحہ ۱۱۰۷ - نیچے سے سطر ۳ - دہ بودیز ۲۲ کے بجائے دہ بودیز ۲۲ پڑھیں
(۲) صفحہ ۱۱۱۵ - سطر ۱ - دہ رنگناہن ۲۲ کے بجائے دہ رنگناہن ۲۲ پڑھیں
(۳) صفحہ ۱۱۳۰ - نیچے سے سطر ۱۳ - دہ آرگہانائیز ۲۲ کے بجائے دہ آرگہانائیز ۲۲ پڑھیں

4. No. 20, dated the 10th April, 1950.

- (۱) صفحہ ۱۲۰۸ - سطر ۱۸ - دہ رک دیہ ۲۲ کے بجائے دہ رک دیہ ۲۲ پڑھیں
(۲) صفحہ ۱۲۲۲ - سطر ۱۱ - دہ مدر ۲۲ کے بجائے دہ مدر ۲۲ پڑھیں

5. No. 23, dated the 14th April, 1950.

- (۱) صفحہ ۱۵۰۰ - نیچے سے سطر ۱۲ - دہ ہاوس ۲۰ کے بجائے دہ ہاوس ۲۲ پڑھیں
(۲) صفحہ ۱۵۱۲ - سطر ۷ - دہ مولما ۲۲ کے بجائے دہ مولانا ۲۲ پڑھیں
(۳) صفحہ ۱۵۱۲ - نیچے سے سطر ۳ - دہ کرن ۲۲ کے بجائے دہ کرن ۲۲ پڑھیں
(۴) صفحہ ۱۵۱۶ - سطر ۴ - دہ فور ۲۲ کے بجائے دہ فور ۲۲ پڑھیں
(۵) صفحہ ۱۵۱۶ - نیچے سے سطر ۱۲ - دہ ۷۷۱۰ کے بجائے دہ ۷۷۲۰ پڑھیں
(۶) صفحہ ۱۵۱۸ - سطر ۳ - دہ دالونکا ۲۲ کے بجائے دہ دالونکا ۲۲ پڑھیں
(۷) صفحہ ۱۵۲۵ - نیچے سے سطر ۲ - دہ ۱۹۳۱ کے بجائے دہ ۱۹۳۹ پڑھیں

6. No. 24, dated the 15th April, 1950.

- (۱) صفحہ ۱۵۳۷ - سطر ۶ - دہ اللہ ۲۲ کے بجائے دہ اللہ ۲۲ پڑھیں
(۲) صفحہ ۱۵۳۹ - سطر ۴ - دہ اللہ ۲۲ کے بجائے دہ اللہ ۲۲ پڑھیں

In Volume III—

1. No. 1, dated the 18th April, 1950.

- (۱) صفحہ ۱۶۰۸ - سطر ۱۲ - دہ آزاد ۲۲ کے بجائے دہ آزاد ۲۲ پڑھیں
(۲) صفحہ ۱۶۰۸ - نیچے سے سطر ۹ - دہ زیورٹ ۲۲ کے بجائے دہ زیورٹ ۲۲ پڑھیں
(۳) صفحہ ۱۶۰۹ - سطر ۹ - دہ آزاد ۲۲ کے بجائے دہ آزاد ۲۲ پڑھیں
(۴) صفحہ ۱۶۱۵ - سطر ۱ - دہ ایس ۲۲ کے بجائے دہ ایس ۲۲ پڑھیں
(۵) صفحہ ۱۶۱۶ - نیچے سے سطر ۱۹ - دہ انڈسٹریل ۲۲ کے بجائے دہ انڈسٹریل ۲۲ پڑھیں
(۶) صفحہ ۱۶۰۱ - سطر ۷ - دہ لے ۲۲ کے بجائے دہ لے ۲۲ پڑھیں
(۷) صفحہ ۱۶۲۱ - نیچے سے سطر ۱۷ - دہ تہو ۲۲ کے بجائے دہ تہار ۲۲ پڑھیں
(۸) صفحہ ۱۶۲۲ - سطر ۱۲ - دہ م ۲۲ کے بجائے دہ م ۲۲ پڑھیں
(۹) صفحہ ۱۶۲۲ - سطر ۱۳ - دہ نفریس ۲۲ کے بجائے دہ کانفریس ۲۲ پڑھیں
(۱۰) صفحہ ۱۶۲۵ - نیچے سے سطر ۱۲ - دہ دراید ۲۲ کے بجائے دہ درامد ۲۲ پڑھیں

PARLIAMENTARY DEBATES
(PART I—QUESTIONS AND ANSWERS)

Tuesday, 14th February, 1950

The House met at a Quarter to Eleven of the Clock.

[MR. DEPUTY-SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

INDIAN LABOUR IN MALAYA

*230. **Shri Sidhva:** (a) Will the **Prime Minister** be pleased to state whether it is a fact that the Agent of the Government of India in Malaya enjoyed the privilege of looking into the conditions of Indian labour in that country?

(b) If so, is it a fact that recently he has been deprived of this privilege by the Government of Malaya?

(c) What are the reasons therefor?

The Deputy Minister of External Affairs (Dr. Keskar): (a) Yes, Sir, he had that privilege; whether he enjoyed it or not, I cannot say.

(b) A Bill providing, *inter alia*, for the withdrawal of the inspectorial facilities till now enjoyed by the Agent, was passed by the Legislature of the Federation of Malaya on the 22nd December, 1949.

(c) The main reasons advanced by the Government of Malaya are:

(i) that, with the imposition of the ban on the emigration of unskilled labour from India to Malaya, on the 15th June, 1938, it is not obligatory for them to provide such facilities to an Agent of the Government of India to enable him to inspect the estates;

(ii) that such inspectorial privileges of one country in another are an *anachronism*;

(iii) that the Malayan Government themselves provide adequate machinery for dealing with labour disputes and ensuring fair treatment of labourers; and

(iv) that Indian labourers, looking for protection to authorities outside the country, will antagonise other communities.

The Government of India expressed their emphatic disapproval of this new legislation in an *aide memoire* dated 22nd December, 1949.

Shri Sidhva: May I know whether the Government of India was consulted before this Bill was introduced by the Malayan Government as far as our Indian labour was concerned and has this policy brought in a change?

Dr. Keskar: The Agent to the Government of India was consulted even when the Bill was pending before the Malayan Legislature and in spite of our disapproval the Bill was passed.

Shri Sidhva: What is the number of our labourers in Malaya and what are their living conditions?

Dr. Keskar: I am sorry I will not be able to give off-hand the number of labourers, but if I am not mistaken the number has been given two times before in answer to questions on the floor of the House.

Shri Kesava Rao: May I know whether it is a fact that many of the Indian labourers in Malaya are treated as Communists and punished by the Malayan Government or sent out from Malaya?

Dr. Keskar: Our information does not confirm such a view. I think about 200 cases of Indian labourers who have been penalized for communistic activities have come to our notice.

Shri Kamath: Has there been a change, for better or for worse, in the diplomatic status of our Agent in Malaya since the emergence of India as a Sovereign Republic?

Dr. Keskar: Does that arise out of this question?

Shri Kamath: Because there has been a change so far as the powers are concerned.

Dr. Keskar: The question is with regard to the Agent of the Government of India and he is quite a different person from the Representative of India.

Shri Kamath: I am talking of the Agent. Has there been any change in his status since the emergence of India as a Republic?

Mr. Deputy-Speaker: I do not think it arises out of this question. Nothing depends upon our attainment of status of Republic so far as this matter is concerned. They do not want outside agencies or other countries to interfere.

Dr. Keskar: The hon. Member is confounding the Representative of India in Malaya with the Agent to whom reference is made here.

Shri Alexander: May I ask whether the Indian Emigration Labour Fund that was intended for the welfare of Indian labour has been diverted to other purposes?

Mr. Deputy-Speaker: It does not arise.

Shri Raj Bahadur: May I know the manner and extent to which the Indian labour has been affected since the withdrawal of this privilege by our Agent in Malaya?

Dr. Keskar: The withdrawal of this privilege has been passed by the Assembly. It has not yet been implemented. So the question does not arise for the moment.

Shri Kamath: When exactly was the Agent deprived of the privilege? I want the date.

Dr. Keskar: As I said the Bill has been passed. The date on which this will be put into effect has not yet been decided.

Shri Kamath: I want to know the date on which the initiative, the first step was taken. Was it after India became a Dominion or before that? Was it before August 15, 1947 or after?

Dr. Keskar: If my hon. friend had listened to my answer, I said there that the Bill was passed on the 22nd December, 1949.

Shri Sidhva: I want to know whether the estates are now being visited by our Agent in view of this new Bill that has been brought in.

Dr. Keskar: Yes. As I said the Bill is not yet implemented and I may inform my hon. friend that our Representative in Malaya has taken up the question whether even after the implementation of this Act, the interests of the Indian labourers in Malaya can be looked after informally by our Agent there.

ASSETS WITH CUSTODIAN OF ENEMY PROPERTY

***231. Shri Sidhva:** (a) Will the Minister of Commerce be pleased to state what is the total amount of enemy assets together with their descriptions which are in custody with the Custodian of Enemy Properties?

(b) Why have these properties not been disposed of?

(c) Do Government intend to dispose of them against payment in cash?

(d) What is the present position of these properties?

(e) Is the post of the Custodian of Enemy Properties held by an individual exclusively for this work or has he other functions also to perform?

The Minister of Commerce (Shri Neogy): (a), (b) and (d). The estimated total value of enemy assets, that is, assets pertaining to belligerent countries which are at present held vested in the Custodian of Enemy Property amounts to about Rs. 6.7 crores. Out of this sum of about Rs. 6.08 crores is in cash and the balance is held in non-liquid assets, like immovable property, securities, interests in contracts, business or industrial participations, etc. Besides the above, assets of an aggregate value of Rs. 1.76 crores are also held by the Custodian on behalf of the allied countries in Europe which came under enemy occupation during the war. I am laying on the Table of the House a statement indicating in some detail the description of the assets held vested, the present position of these properties and why these properties have not been disposed of. [See Appendix I, annexure No. 26.]

(c) Most of the enemy properties have already been turned into cash. There are, however, still certain immovable properties belonging to Japanese firms and action is being taken to sell them.

(e) The post is held by an individual exclusively for the property work.

Shri Sidhva: The hon. Minister in answer to part (b) said that he is laying on the Table of the House a list of properties not disposed of. May I know whether these properties are movable or immovable which could not be disposed of and what are the reasons?

Shri Neogy: I have given rather a detailed statement under various heads, for instance, the classification is as between assets belonging to belligerent countries. Then separately for assets belonging to allied countries which formerly came under enemy occupation. Then there are liquid assets shown differently from non-liquid assets and various other details also are given. I would request my hon. friend to peruse the statement and then send notice of any further questions that he may desire to put.

Shri Sidhva: The hon. Minister stated that the post is held by an individual exclusively for the property work. What is the name of the individual?

Shri Neogy: His official designation is Custodian, but I do not think I have got the name of the official just now. There has been a change of personnel of late.

Shri Sidhva: May I know whether the 6·08 crores which is in cash is with the Government of India?

Shri Neogy: It is vested in the Custodian, subject to the control of the Government of India.

Sardar B. S. Man: Which are the principal enemy countries to whom these assets belong here in India?

Shri Neogy: The enemy countries are also given in the statement that I have placed on the Table; Germany, Japan, Austria, Italy, Hungary, Rumania, Bulgaria, Siam—these are the enemy belligerent countries. Then, as regards the other category—allied countries which formerly came under enemy occupation—Czechoslovakia, France, Belgium, Netherlands, Greece, Indonesia and Poland.

Shri Tyagi: How much is the amount of money spent towards the safe custody of these properties?

Shri Neogy: You mean on the establishment?

Shri Tyagi: Yes.

Shri Neogy: I may tell the hon. Member that the Government of India directly do not incur any expenditure over this establishment. The cost is recovered from the account of the property. (*An hon. Member:* That is what he wants.) I am sorry I have not got the figures.

Shri Tyagi: What is the approximate cost?

Shri Neogy: My hon. friend may give notice of that.

EXPORT OF GLAZED TILES

***231-A. Shri Sidhva:** (a) Will the Minister of Commerce be pleased to state whether any foreign firm has placed an order for glazed tiles manufactured in India?

(b) What is the quantity of glazed tiles produced in India?

(c) To which foreign countries are these tiles exported?

The Minister of Commerce (Shri Neogy): (a) Government have no information about any such order.

(b) Eighty tons approximately during the year 1949.

(c) Tiles of all varieties have been exported to Ceylon, Kenya Colony, Tanganyika Territory, Pakistan (Western), Straits Settlements, Commonwealth of Australia, Federated Malaya States, Zanzibar and Pemba. Information particularly with regard to glazed tiles is not available.

Shri Sidhva: May I know whether Australian firms had placed a large order for Indian tiles for use in their country and whether our Trade Commissioner has said that there is a big market for Indian tiles in that country?

Shri Neogy: Some of our tiles have recently been supplied to Australia and I think there is possibility of expansion of that market.

VOCATIONAL TRAINING CENTRES FOR DISPLACED PERSONS

***232. Sardar Hukam Singh:** (a) Will the Minister of Rehabilitation be pleased to state how many Vocational Training Centres for displaced persons have been opened by the Government of India?

(b) How many displaced persons are being trained at such Centres and in what vocations?

(c) Where are these centres situated?

The Minister of State for Rehabilitation (Shri Mohan Lal Saksena): (a) On the 31st December, 1949, there were 70 training centres which have been opened by the Government of India. Besides them there were 96 centres opened by the State Governments and one by a private institution.

(b) 5,043 in Government of India Centres and 8,480 in other centres. A list of trades in which training is imparted is placed on the Table of the House. *(Copy placed in the Library. See No. P-54/50.)*

(c) A list of centres showing their locations, is also placed on the Table. *(Copy placed in the Library. See No. P-54/50.)*

Sardar Hukam Singh: How many persons have been trained so far?

Shri Mohan Lal Saksena: I will require notice of that question. The hon. Member wanted the number of those who are at present under training. Many persons have passed out and I will therefore require notice of that question.

Shri Dwivedi: Have any centres been opened in Vindhya Pradesh where over 15,000 refugees have been living for the last two years?

Shri Mohan Lal Saksena: According to this list there is no centre in Vindhya Pradesh on the 31st December.

Sardar B. S. Man: What are the different vocations in which training is imparted to the displaced persons?

Shri Mohan Lal Saksena: So far as vocational training is concerned the number is 56 and the list of technical trades contains 50 items. The hon. Member would do well to refer to the list: it will take a long time for me to read it out.

Shri Gautam: Is it a fact that Government is thinking of reducing the number of centres as also the number of members of the staff?

Shri Mohan Lal Saksena: The whole question is under consideration. Hon. Members are aware that a committee has been appointed which is considering the question.

Shri B. S. Man: What is the mode of selection for entry into these centres?

Shri Mohan Lal Saksena: It is the Provincial Governments which select the trainees.

Shri Sidhya: How many displaced persons are trained in Arab-ki-Sarai, where new cottage industries have been introduced?

Shri Mohan Lal Saksena: Formerly the number was 450 and now it is about 800.

Shri Kesava Rao: May I know the number of persons who had been trained in these vocational training centres and who have found jobs after completion of their training?

Shri Mohan Lal Saksena: If the hon. Member requires the information he may put down a question.

Shri Chattopadhyay: May I know if there is any proposal to start training centres in Assam?

Shri Mohan Lal Saksena: As a matter of fact, we have been pressing upon the Assam Government to start such centres?

Shri Krishorimohan Tripathi: May I know if persons other than displaced persons can receive training in these centres?

Shri Mohan Lal Saksena: There are centres run by the Labour Ministry and there, in addition to the training of displaced persons, others are also being trained.

Sardar B. S. Man: Are any stipends given to the students who are trained in these centres?

Shri Mohan Lal Saksena: Yes.

Shri D. D. Pant: May I know whether political sufferers are also trained in these centres?

The Minister of Labour (Shri Jagjivan Ram): I take this information from the hon. Member.

Shri Raj Bahadur: May I know whether the 96 centres started by the State Governments are being run solely by them or are being financed by the Central Government?

Shri Mohan Lal Saksena: All the centres are financed by the Central Government; but they are run by the State Governments.

Shri P. T. Munshi: May I know how many persons are trained in the Province of Bombay?

Shri Mohan Lal Saksena: I have not got this information here. If the hon. Member requires the information he may write to me.

DISPLACED PERSONS IN DELHI

***233. Sardar Hukam Singh:** (a) Will the Minister of Rehabilitation be pleased to state what is the latest estimate of Government about the number of displaced persons who have come to Delhi for settlement here?

(b) How many of these have so far been rehabilitated and what is the number awaiting settlement?

(c) What are the proposals in hand for the settlement of these displaced persons?

The Minister of State for Rehabilitation (Shri Mohan Lal Saksena): (a) and (b). The hon. Member is referred to the reply given by me to Starred Question No. 194 by Shri Lakshminarayan Sahu on the 1st December, 1949.

(c) The Rehabilitation Schemes so far sanctioned are:

(1) Vocational and Technical Training Centres at Delhi Polytechnic, Bela Road and Curzon Road.

(2) Training and Work Centre, Arab-ki-Sarai, New Delhi.

- (8) Colony for infirm and old persons in Kilokheri (Not yet started).
- (4) Co-operative Health Centres for Displaced Medical Practitioners, Vaid and Homoeopaths.
- (5) Allotment of special quotas for displaced persons of controlled commodities and articles in short supply for setting up industries, e.g., iron and steel, sewing machines, etc.
- (6) Reservations for displaced persons in Government and Railway contracts, permits to ply public vehicles, licences for selling controlled commodities, etc.
- (7) A Milk Producers' Corporative Colony with 2,000 acres, 2,000 heads of cattle and 500 houses for displaced persons.

Sardar Hukam Singh: The hon. Minister during the last Budget discussions stated:

"I have decided that each and every head of the family must know almost immediately as to where he or she is going to be settled and each and every head of the family must have either a house or a plot of his own on which he may build."

May I know whether that uncertainty has been removed?

Shri Mohan Lal Saksena: So far as Delhi is concerned I think it is removed.

Sardar Hukam Singh: Have all those who have come here been provided with either a house or a plot of land?

Shri Mohan Lal Saksena: There are schemes for three lakhs of them. As regards others we have been asking them to go to other places. They would not go, and, therefore, there is no question of finding a house or employment for them.

Sardar Hukam Singh: During the last Budget Session it was given out that there were several evacuee houses which were occupied by local persons here. May I know whether they have been taken over from them and given to the refugees?

Shri Mohan Lal Saksena: I think most of them have been taken over.

Shri Deshbandhu Gupta: What steps have been taken or are proposed to be taken by Government to remove the displaced persons who have been occupying the footpaths for the last two years on main roads like the Mall Road? Is there any definite scheme to give them alternative accommodation?

Shri Mohan Lal Saksena: I think the hon. Member should refer this question to the Minister for Health. So far as this Ministry is concerned we are constructing shops and they are being removed to them.

Sardar B. S. Man: May I know how many persons have been displaced because of health reasons by the Health Ministry so far?

Shri Sonavane: May I know how many of the displaced persons are Harijans and whether they are getting equal treatment under the Government scheme?

Mr. Deputy-Speaker: There would not be any discrimination.

Shri Kamath: On what basis were the displaced persons who came to Delhi for settlement and rehabilitation, selected for dispersal to other Provinces?

Shri Mohan Lal Saksena: In the first instance, we have got a little over 2,75,000 persons who have been registered. There are those who are employed, but who have not got accommodation; and there are others who have got accommodation but have not got employment. Therefore, in selecting these three lakhs of people we bear all these facts in mind.

Shri Kamath: May I know who were allowed to settle down here and who were sent to other Provinces?

Shri Mohan Lal Saksena: Those who are either employed here or have got accommodation here and are registered are given the first preference. And then the other priorities follow.

Sardar B. S. Man: May I know how many displaced Ministers have come to Delhi and how far they have been rehabilitated.

OUTPUT OF TEXTILES FROM LONG STAPLE COTTON

***234. Shri B. K. Das:** Will the Minister of Industry and Supply be pleased to state the output of textiles by Indian Mills from the use of long staple cotton during the year 1949?

The Minister of Industry and Supply (Dr. S. P. Mookerjee): A statement showing the output of textiles by Indian Mills from the use of long staple cotton during the year 1949 is placed on the Table of the House. The total comes to 1,143,936,000 yards.

STATEMENT

Output of textiles by Indian Mills from the use of long staple cotton during the year 1949.

	Lbs.	Yards
Fine	139,135,000	810,210,000
Superfine	43,298,000	333,726,000
TOTAL	182,433,000	1,143,936,000

Shri B. K. Das: May I know what percentage this figure bears to the total production?

Dr. S. P. Mookerjee: The fine and superfine production from the use of long staple cotton comes to about 25 per cent. of the total production.

Shri Chaliha: May I know to what use short staple cotton is put in India?

Mr. Deputy-Speaker: That does not arise out of the question.

Shri Chaliha: May I know whether they have taken steps to improve the growth of short staple cotton in India?

Dr. S. P. Mookerjee: I think the hon. Member is thinking of long staple cotton.

Shri Chaliha: I am asking about short staple.

Dr. S. P. Mookerjee: We have a fair production of short staple cotton. We really want more of long staple cotton. And that is the long and short of it.

Shri Hoossain Imam: May I know what staple is regarded as long staple? Is it above 7/8 inch?

Dr. S. P. Mookerjee: Above $\frac{3}{4}$ inch.

Shri B. K. Das: Is it a fact that long staple cotton is used as admixture with other fibres?

Dr. S. P. Mookerjee: That may be done sometimes.

ABDUCTED WOMEN AND CHILDREN

***235. Sardar Hukam Singh:** Will the **Prime Minister** be pleased to state:

(a) the total number of abducted women and children (separately) recovered from West Punjab, Sind, Bahawalpur and Baluchistan during the period from 1st July, 1949 to 31st December, 1949;

(b) the total number of abducted women and children (separately) recovered from Jammu and Kashmir during the same period; and

(c) the total number of Muslim abducted women and children recovered from India and restored to Pakistan during the same period?

The Deputy Minister of External Affairs (Dr. Kesar): (a) 81 Women and 54 Children.

(b) (i) From Pakistan side of the Cease Fire Line, 158 Women and 101 Children.

(ii) From Indian side of the Cease Fire Line, 142 Women and 69 Children.

(c) 839 Women and 450 Children.

Sardar Hukam Singh: Have any recoveries been made from Pakistan from the districts that were declared closed by the Pakistan Government when the MEO was entrusted with this task?

The Prime Minister (Shri Jawaharlal Nehru): It is difficult to give an exact answer to the hon. Member's question. From those districts I believe at one time recoveries were made. Whether it was done recently or not I cannot say.

Shri Kamath: What is the age limit or age basis for differentiation between a woman and a child?

Mr. Deputy-Speaker: That is already there in the other Act which was passed. 'Women' are adults and 'children' are children.

MIGRATION FROM INDIA TO PAKISTAN AND *Vice Versa*

***238. Pandit M. B. Bhargava:** Will the Minister of **Rehabilitation** be pleased to state:

(a) the approximate number of non-Muslim displaced persons who have migrated from Eastern and Western Pakistan into India up to 31st January, 1950;

(b) the approximate number of non-Muslims (including Harijans) still remaining in the different parts of Pakistan, as also the number of Muslims still remaining inside the Indian Union territory;

(c) the approximate number of Muslim displaced persons who have left India for Pakistan and the approximate number from among them who have returned to India?

The Minister of State for Rehabilitation (Shri Mohan Lal Saksena): (a) About 70 lakhs.

(b) No reliable information is available.

(c) About 58 lakhs. It is not possible to state the number of Muslims, who have returned to India.

Shri Chattopadhyay: What is the agency through which this information is collected from Pakistan?

Shri Mohan Lal Saksena: I have not given any information collected from Pakistan. That is why I have said that no reliable information is available—because it is all speculation.

Shri Tyagi: Is it a fact that Pakistan has banned the entry of those Muslims who want to evacuate from here and go to Pakistan?

Shri Mohan Lal Saksena: Yes, they have to obtain permits.

Shri Tyagi: What is the position with regard to the refugees coming from the East Pakistan side?

Shri Mohan Lal Saksena: Is the hon. Member referring to the latest?

Shri Tyagi: Yes. May I know whether their coming has been banned?

Shri Mohan Lal Saksena: No.

Shri Gautam: What are the principles on the basis of which the Government speculates?

Shri Mohan Lal Saksena: This is after all a surmise. We take the total number of population—the last population figure—and then we add to it a certain percentage for the normal increase; then we take out the number that have come out and the number of persons who are reported as converted or dead, and we come to some figure. It cannot be called a reliable figure.

Shri Jhunjhunwala: Arising out of the answer to part (a) of the question, may I know how many have come from East Pakistan and how many from West Pakistan?

Shri Mohan Lal Saksena: Roughly 54 lakhs from West Pakistan and 16 lakhs from East Pakistan.

Sardar B. S. Man: Is it a fact that many Pakistani Muslims are also coming to the Indian side?

Shri Mohan Lal Saksena: From East Pakistan, yes.

Sardar B. S. Man: Is it a fact that Pakistani Muslims from West Pakistan have come to Calcutta side through Karachi?

Shri Mohan Lal Saksena: No. If anybody comes he is prosecuted.

Shri Tyagi: Have any arrangements been made with regard to the relief and rehabilitation of those refugees who are now coming from the Eastern Pakistan side?

Shri Mohan Lal Saksena: Yes, instructions have been issued that relief should be provided to them.

Sardar B. S. Man: Are Government aware that the Calcutta hide market is owned by Punjabi Muslims who have come to Calcutta via Karachi?

Shri Mohan Lal Saksena: No.

DISPLACED PERSONS RECEIVING FREE RATIONS

***239. Pandit M. B. Bhargava:** Will the Minister of Rehabilitation be pleased to state the number of destitute displaced persons fed on free rations by the Government of India as on 1st January, 1950?

The Minister of State for Rehabilitation (Shri Mohan Lal Saksena): 1.7 lakh.

COMMERCIAL OR NAVIGATION TREATIES

*240. **Pandit M. B. Bhargava:** (a) Will the Minister of **Commerce** be pleased to state with what country or countries the Government of India have entered into commercial or navigation treaty during the year 1949-50?

(b) Are there any negotiations in progress for concluding such treaties with other countries?

(c) If so, with which countries, and by which time are they likely to be finalised?

The Minister of Commerce (Shri Neogy): (a) to (c). No commercial or navigation treaty was entered into in 1949-50. If the hon. Member is referring to the Trade Agreements entered into by the Government of India with various countries, Trade Agreements with the following countries were concluded during the year 1949-50:

(i) Poland, (ii) Hungary, (iii) Finland, (iv) Western Germany, (v) Czechoslovakia, (vi) Austria, (vii) Pakistan, (viii) Japan, (ix) Ceylon and (x) Egypt.

There are no definite proposals at present for entering into such bilateral trade agreements with other countries. Negotiations for entering into long term treaties of friendship, commerce and navigation are being conducted with U.S.A., Afghanistan, Iran, Siam and Czechoslovakia.

Shri B. Das: With reference to the trade agreement with Pakistan, may I know if the Government of Pakistan is permitting steamers and cargo boats carrying Indian goods to go *via* those rivers that pass through Pakistan?

Shri Neogy: Perhaps my hon. friend means the traffic of commodities from one part of India to another through Pakistan. That is not a part of any trade agreement with Pakistan.

Shri B. Das: Can Indian boats pass through those Pakistani rivers to Assam?

Shri Neogy: At present some movement of that kind is taking place.

Prof. Ranga: For how long have these negotiations been going on between India and the U.S.A. for concluding a treaty?

Shri Neogy: For some time. I answered a specific question on the point a few days ago.

Prof. Ranga: Why this delay?

Shri Neogy: Because the issues involved are important and somewhat complicated.

Prof. Ranga: Why is it that Government are not contemplating conclusion or negotiation of certain bilateral treaties with any other countries?

Shri Neogy: It depends upon the desire of the other countries as well. Whatever proposals have been received are under consideration.

Shri Kamath: Have any of these trade agreements been on a basis of barter?

Shri Neogy: No. The trade agreements properly so-called are not based on barter, but barter arrangements are also undertaken occasionally, very occasionally. My hon. friend would find a Blue Book in the library which sets out all the trade agreements that India has so far concluded with the other countries.

Shri Jhunjhunwala: Have any proposals been sent by the Government of India to any country and that country has not responded to those proposals?

Shri Neogy: Well, my hon. friend is aware of the treaty of friendship and commerce that was concluded between India and Switzerland some time ago. Negotiations for the conclusion of a treaty of that kind, namely of friendship and commerce, are going on with Afghanistan and Iran at the present moment.

Prof. Ranga: Why is not the Government of India taking the initiative in regard to arranging these bilateral treaties with other nations in pursuance of their drive for pushing up our exports?

Shri Neogy: I have already mentioned the names of quite a number of countries with which bilateral agreements are in operation.

Prof. Ranga: But you do not take any initiative initially?

Shri Neogy: Well, we do take it.

Shri R. K. Chaudhuri: Is the hon. Minister aware that about six months ago several steamers carrying cargoes to Assam were held up at Khulna, and may I know whether that was in violation of a trade agreement or, if not, has any further agreement been reached between India and Pakistan since then?

Shri Neogy: As a matter of fact, facilities for transit of this kind are protected under an international convention called the Barcelona Convention, but apart from that there was a specific understanding with Pakistan regarding the free transport or transit of commodities between the different parts of India.

Shri Goenka: May I ask whether, as a result of our trade agreements with the various countries, there has been a favourable balance of trade for our country?

Shri Neogy: The hon. Member is aware of the latest position about which a statement was published only the other day. Definitely the position is improving in favour of India in this matter.

Pandit M. B. Bhargava: Is there any proposal to conclude any such treaty with the U.S.S.R.?

Shri Neogy: No, Sir, not at present.

Shri R. K. Chaudhuri: May I know if the instance to which I made a reference just now was in violation of the agreement and if so has any action been taken?

Shri Neogy: The hon. Member is already aware of the action that Government has taken in the matter. As a matter of fact, this was also in the agreement and the action referred to by my hon. friend refers to a violation of the agreement.

Shri Hossain Imam: Is there any proposal for an agreement for the import of long staple cotton from Egypt and Uganda?

Shri Neogy: There is no agreement properly so-called, but we do make bulk purchases from different countries sometimes on our own account and some times in collaboration with the British Raw Cotton Commission.

Shri Goenka: Is it a fact that there was a favourable balance of trade for our country, before entering into these bilateral agreements with various countries, to the tune of Rs. 12 crores, and that, as a result of these bilateral trade agreements, we have now an adverse trade balance to the tune of Rs. 50 crores?

Shri Neogy: I should like to examine that position, but there may be various factors which may have been responsible for the variation in the position. My hon. friend is certainly not entitled to draw the inference that the conclusion of bilateral trade agreements led to the results to which he has referred.

Shri Jhunjhunwala: May I know how far the terms of the bilateral trade agreements have been responsible for the unfavourable balance of trade?

Shri Neogy: Unless my hon. friend is more specific in his question, it is very difficult to answer such a question.

BUILDING OF CARGO SHIPS

***241. Shri Kesava Rao:** Will the Minister of Industry and Supply be pleased to state:

(a) whether it is a fact that the Government of India have asked the Scindia Ship Building Yard to build cargo ships for Government; and

(b) if the answer to part (a) above be in the affirmative, how many ships are to be built and at what cost each?

The Minister of Industry and Supply (Dr. S. P. Mookerjee): (a) I would refer the hon. Member to the reply given by me to the starred question No. 110 on the 6th February, 1950.

(b) Three ships at Rs. 64.5 lakhs each.

Shri Kamath: Is it a fact that recently Government have consulted Japanese ship-builders as to how to build cheaper ships in this country? Have Government approached Japan at all through S.C.A.P.?

Dr. S. P. Mookerjee: There has not been any such approach on behalf of the Government, but certain enquiries might have been made.

Shri Deshbandhu Gupta: Have the Chinese Government offered some ships to the Government of India and if so, at what cost?

Dr. S. P. Mookerjee: The question is about ship-building and not about purchase of ships which is for the Minister of Commerce to answer.

Shri Gautam: What is the difference between the prices which the Government is paying to the Scindias and the prices which the Government would have paid if the ships were bought abroad.

Dr. S. P. Mookerjee: Roughly it will come to about Rs. 24 lakhs extra per ship.

Shri Kesava Rao: May I know when these ships will come into operation?

Dr. S. P. Mookerjee: After they are built, which is expected to be in the latter half of 1951.

Shri Kamath: What was the upshot of the enquiries that Government made from Japanese ship-builders?

Dr. S. P. Mookerjee: I said we did not make any enquiries.

Shri Kamath: But the Minister said some enquiries were made?

Dr. S. P. Mookerjee: On their side.

Shri Goenka: May I know whether a firm order has been placed with the Scindias for these three ships?

Dr. S. P. Mookerjee: Yes, Sir.

Shri Goenka: Was the sanction of the Finance Committee obtained before this order was placed?

Dr. S. P. Mookerjee: I shall refer to the hon. the Minister of Finance.

Shri Kesava Rao: What is the tonnage of these ships?

Dr. S. P. Mookerjee: 8,000 tons each.

Prof. Ranga: Is it a fact that all the workers employed there had made repeated representations to Government that they should undertake the construction of these ships?

Dr. S. P. Mookerjee: These three ships are being built under Government auspices. The workers cannot obviously build without finance.

Shri Gautam: Was this matter placed before the Industries Standing Committee?

Dr. S. P. Mookerjee: Yes, Sir.

DISPOSAL STORES FOR THE MINISTRIES

***243. Shri Shiva Rao:** Will the Minister of **Industry and Supply** be pleased to state the approximate value of goods supplied to the various Ministries during the years 1948 and 1949 from the Disposals Directorate of the Ministry of Industry and Supply?

The Minister of Industry and Supply (Dr. S. P. Mookerjee): A Statement giving the required information is placed on the Table of the House. [See *Appendix I, annexure No. 27*].

Shri Sidhva: May I know whether it is a fact that several articles which were saleable at the time they were left behind by the foreigners were not disposed of until very recently? If so, what are the reasons for this delay?

Dr. S. P. Mookerjee: Sir, this is rather a vague question. We have made every effort to sell them; in many cases the stocks were withdrawn by the Defence Ministry and in some others purchasers were not available.

Shri Sidhva: May I know whether a consignment of screws worth about Rs. 25 lakhs was sold only last month, whereas if it had been sold when it was left here by the foreigners, the price would have been higher and the total sale value would have been Rs. 1½ crores? Who is responsible for this loss to the State and for this delay?

Dr. S. P. Mookerjee: Whether the screws were loose or not, I do not know.

Shri Sidhva: Is that the answer? I have put a definite question whether the State suffered a loss of a crore of rupees and who is responsible for this delay. Whether the screws were tight or loose, I do not care.

Mr. Deputy-Speaker: All I can say is that it is too far out of the mark and therefore it does not matter which side the screw is loose.

Dr. S. P. Mookerjee: If I get the reference, I shall enquire.

Shri Deshbandhu Gupta: May I know the total value of the goods sold to the Ministries and the value of the goods which still remain to be disposed of?

Dr. S. P. Mookerjee: I have given the total values for 1948 and 1949. It comes to Rs. 4,14,25,000 in one year and to Rs. 3,91,00,000 in another. We have yet to dispose of goods worth about Rs. 123 crores and 49 lakhs (book value).

Shri Deshbandhu Gupta: What is the value of the goods which have been re-purchased by different Ministries out of the disposed of disposal goods?

Dr. S. P. Mookerjee: I could not follow.

Shri Deshbandhu Gupta: Have Government re-purchased some of the goods disposed of by the Disposals Directorate?

Dr. S. P. Mookerjee: It has been a case of book adjustment, and I have given all the details Ministry by Ministry.

Shri Deshbandhu Gupta: My question is: whether Government re-purchased from those persons who had purchased disposal goods from the Disposals Directorate, I mean? Have any goods been re-purchased by different Ministries, and if so, at what cost, and what is the excess paid by them that way?

Dr. S. P. Mookerjee: This question relates to goods which were sold to each of the different Ministries of the Government of India. I do not know how this question becomes relevant.

Shri Deshbandhu Gupta: But has the hon. Minister got some information on the point whether different Ministries re-purchased some goods which were disposed of by the Disposals Directorate? Has his own Ministry re-purchased some goods?

Dr. S. P. Mookerjee: There may be some cases where Government re-purchased from persons who had purchased the disposal stocks from Government.

Mr. Deputy-Speaker: I think the hon. Member wants to know why they were not purchased in the first instance.

Dr. S. P. Mookerjee: At that time there was no demand.

Shri Deshbandhu Gupta: May I know the value of such goods that were re-purchased from private persons?

Sardar B. S. Man: May I know how many more years will be taken to wind up the Disposals Directorate of the Industry and Supply Ministry?

Dr. S. P. Mookerjee: We are expecting, if the present schedule is followed, that by the end of the financial year 1950-51 we should be able to dispose of all these goods.

CLOSURE OF FACTORIES

***244. Shri D. S. Seth:** Will the Minister of Industry and Supply be pleased to state:

(a) the amount of production gone down because of the closing down of textile mills or unemployment of workers in textile mills during the period 1st June to 31st December, 1949; and

(b) the measure or measures so far taken by Government to counter the effects of growing unemployment among the working classes?

The Minister of Industry and Supply (Dr. S. P. Mookerjee): (a) During the period 1st June to 31st December, 1949, 10 textile mills (6 spinning and

4 composite) had closed down completely and 20 mills (8 spinning and 17 composite) had closed partially, resulting in monthly loss of production of 8,598,000 yards of cloth and 801,000 lbs. of yarn and displacement of 27,432 workers. Of this, the Sholapur Mills alone account for about 3 million yards of cloth and about $1\frac{1}{2}$ million lbs. of yarn per month and a displacement of about 12,000 workers.

(b) Unemployment in cotton mills has been mainly due to closure of mills on account of accumulation of stocks, shortage of cotton, mismanagement and old and dilapidated machinery. To clear the accumulation, mills have been permitted to sell their entire production for a period of three months to buyers of their own choice, and other mills have been permitted to sell one-third of their production and also stocks not lifted by the Provinces to buyers of their own choice. These measures have already brought good results and the mills are no longer faced with accumulation of stocks. As regards cotton, quotas have been allotted to each mill from producing centres. Mills can purchase and move cotton up to the quotas allotted. Government have issued an Ordinance for taking over Sholapur Mills which were closed down on account of mismanagement. For replacing old and dilapidated machinery import licences are being freely issued. On 31st December, 1949, 29 mills had threatened closure and 21 mills of these withdrew notices of closure as a result of the assistance rendered by Government.

Prof. Ranga: Is it not a fact that today the main complaint made by these mills is that there are not enough of buyers and there is not enough of demand for all the yarn and cloth that they are producing?

Dr. S. P. Mookerjee: I do not think that is so just now.

Prof. Ranga: Is it not a fact that in the consuming centres there are huge stocks of cotton cloth still lying unsold?

Dr. S. P. Mookerjee: There are adequate supplies available in the country and there is no complaint of scarcity.

Shri Sidhva: May I know whether the Sholapur Mills, to which the hon. Minister referred, have started functioning again?

Dr. S. P. Mookerjee: No, Sir. Not yet.

Shri Sidhva: When the Board of Directors have been appointed, as was stated last time, what is the cause of the delay?

Dr. S. P. Mookerjee: The cotton is being purchased and the administrative machinery is being set up. I received information only three or four days ago that they expect the mill will re-start in a few weeks.

Shri Bharati: Is it a fact that the Government have assured supplies of cotton to Harvey Mills in Madura and, therefore, the Mills have given up their idea of reducing their production?

Dr. S. P. Mookerjee: Quite so. That Mill decided to reduce production by about 25 per cent. from the first week of February, but Government have assured supply of cotton at subsidised rates according to their new scheme, and the Mill will not now close down or reduce production.

Shri Bharati: Do Government propose to make a similar concession of supply of cotton to the Meenakshi Mills, which also propose to reduce production?

Dr. S. P. Mookerjee: All mills who are capable of using that variety of cotton for the handloom industry will be helped.

Shri Sondhi: In the new working of Mill, if there is loss, who will be responsible—Government or the shareholders?

Dr. S. P. Mookerjee: We are expecting that the Mill will not run at a loss, it will be the responsibility of the new Board of Directors to see the Mill is not run at a loss.

Shri Sondhi: Will they be personally responsible?

Dr. S. P. Mookerjee: No.

Shri Sondhi: Who will bear the loss anyway?

Dr. S. P. Mookerjee: The Company will bear the loss ultimately, obviously.

Shri Sidhva: Is it not a fact that the Sholapur Mills have earned as much as 40-per cent. dividend in the year to which he is referring?

Dr. S. P. Mookerjee: That is all eaten up.

Shri Sidhva: Still what is the reason.

Shri Tirumala Rao: May I know the reason for this debacle of the textile mill industry—is it the constant difference of opinion between the Government and the Industries Department and the millowners?

Dr. S. P. Mookerjee: I do not think there is any difference between the Government and the Ministry. The Government and the Ministry are one. There is no difference of opinion between the Government and the industry except on prices.

Shri Tirumala Rao: Please do not misunderstand me. My question was this. I want to know whether there is any difference of opinion between the Industries Department and the millowners. I know the Government and the Minister are one.

Dr. S. P. Mookerjee: I do not think there has been any difference of opinion except prices. Of course, the main reason has been want of supply of cotton, and Government has done everything possible to ensure supply of cotton within the limited resources available, and we are expecting that no serious catastrophe will arise.

Shri Deshbandhu Gupta: Is it not a fact that one of the reasons was that the price fixed for cotton by Government was one at which cotton was not available and millowners were forced to buy in black market which they could not afford?

Dr. S. P. Mookerjee: *Kapas* was not controlled, but cotton was controlled, and unfortunately a number of millowners themselves started purchasing *Kapas* at relatively higher prices and that led to the increase in the price of ginned cotton as well. But we have now decided and announced that so far as fixation of the price of cloth is concerned, we will take into account only the ceiling price fixed by Government, and conditions are getting stabilised.

Shri Gautam: Is the Government aware that in spite of the fact that there is no shortage of cloth, people are not getting enough cloth?

Dr. S. P. Mookerjee: Up till now, that condition has not arisen. When it arises, we will consider.

Shri Gautam: Is the Government aware that not all people in the country are getting enough cloth?

Dr. S. P. Mookerjee: We have not taken statistics for all the people, but there is no complaint of scarcity in any part of the country.

Shri Gautam: How does the Government propose to supply cloth to the people who are not in a position to buy it even when the cloth supply is quite enough in the country?

An Hon. Member: You want it to be subsidised?

Shri Goenka: Will the Government consider the advisability of controlling *Kapas* also?

Dr. S. P. Mookerjee: The cotton policy for the next year is being investigated now by Government and I would not like to make any announcement at present.

Dr. V. Subramaniam: On the one hand we are given to understand that certain mills have closed down owing to shortage of cotton. On the other hand, we are also given to understand that there are large stocks accumulated and mills have been closed down due to that. Which is true?

Dr. S. P. Mookerjee: Both are perhaps true.

Shri Hossain Imam: Has the Government any proposal for opening the other mills which have been closed down, other than the Sholapur Mill's?

Dr. S. P. Mookerjee: We have not received any request with regard to the other mills yet. But I should like to make one point clear. The facts I have given in regard to closure of mills are for various reasons. But there are four or five mills which have closed down for want of cotton only.

Shri Goenka: Is the Government aware that there is already a black market in several varieties of cotton goods to the extent of about 20 per cent?

Dr. S. P. Mookerjee: With regard to some varieties, prices perhaps are higher than selling prices in one or two places. The only solution of that problem is to produce more of that variety, so that black market may not continue. We are constantly asking for reports from Provincial Governments.

Shri Hossain Imam: Is the Gaya Cotton and Jute Mill included in the list of mills closed down and will the hon. Minister tell us what was the reason for its closure?

Dr. S. P. Mookerjee: I have not got the information here with me.

Shri M. C. Shah: What action do Government propose to take with regard to mills which have closed due to mismanagement?

Dr. S. P. Mookerjee: We have no power under the existing law to take them over. We enquired into one case and took action under a special ordinance. The general question with regard to such units may be taken up when the Industries Control Bill is passed.

Shri Kesava Rao: Is there any proposal before Government to take charge of such units of industry?

Dr. S. P. Mookerjee: There is no such proposal now.

COAL MINES LABOUR WELFARE FUND

***245. Shri Tyagi:** (a) Will the Minister of Labour be pleased to state the amount collected by Government as Cess towards the Coal Mines Labour Welfare Fund during the year 1949?

(b) How much of this amount was spent on actual welfare work and how much on establishment of the departmental machinery?

The Minister of Labour (Shri Jagjivan Ram): (a) and (b). The accounts of the Coal Mines Labour Welfare Funds are maintained according to the financial year and not the calendar year. The amount received on account of the cess during the financial year 1948-49 was Rs. 68,40,947. Out of this, a sum of Rs. 45,16,816 was spent on actual welfare measures and Rs. 5,81,468 on establishment, of which Rs. 2,81,678 were spent on buildings and Rs. 2,99,790 on office establishment.

Shri Tyagi: May I know, Sir, what specific works of welfare were taken in hand?

Shri Jagjivan Ram: We have a number of welfare measures in the coal-field areas—anti-malaria, medical relief, housing, welfare of the women of the miners, visual education and things like that.

Shri Tyagi: Is the work entrusted to any non-official corporation or agency, or is it done directly by Government?

Shri Jagjivan Ram: It is done by our own officers.

Shri Tyagi: Is there any advisory committee of the non-officials or trade unions?

Shri Jagjivan Ram: There is a statutory advisory committee.

Babu Ramnarayan Singh: May I know how many welfare centres are working at present?

Shri Jagjivan Ram: I think, Sir, more than 40 ladies' welfare centres are working.

Shri Sonavane: Are there welfare centres for workers in textile mills?

Mr. Deputy-Speaker: We are now concerned with coal mines. Coal mines to textile mills is too far away!

Shri Chattopadhyay: May I know the number of hospitals opened during the current year?

Shri Jagjivan Ram: I have not got the figures for the current year, but we have taken up construction of quite a number of central and regional hospitals.

Sardar B. S. Man: Are there any lady social workers and if so what is their number?

Shri Jagjivan Ram: There are quite a number—I think more than one hundred.

Shri Tirumala Rao: May we know the number of workers who have derived benefit from these centres?

Shri Jagjivan Ram: Quite a few lakhs.

Babu Ramnarayan Singh: What is the jurisdiction or geographical area of the Jharia centre?

Shri Jagjivan Ram: So far as the geographical area is concerned that is well-defined in the geography of the district of Manbhum. But I may inform my hon. friend that Jharia centre is not the only one serving that area. We have quite a number of centres even in the Jharia area. We have got a number of centres in the Raniganj area and a number of centres in the Giridih and Bokaro area as well, which are located in the districts from which the hon. Member comes.

Dr. M. V. Gangadhara Siva: May I know from the hon. Minister whether gynaecologists and obstetricians are appointed in these medical centres to safeguard against infantile mortality?

Shri Jagjivan Ram: We have got lady health visitors and it is one of the duties of theirs to look after pre-natal and post-natal conditions of the female workers in the coal mines.

Dr. Parmar: How many maternity centres are proposed to be started?

Shri Jagjivan Ram: I think in Raniganj and Dhanbad areas we have got a number of maternity centres which are controlled by the Mines Boards of Dhanbad and Asansol. We are examining this question in connection with coal-fields in other provinces.

REMITTANCES FROM INDO-CHINA

***246. Shri Bharati:** Will the **Prime Minister** be pleased to state:

(a) whether Government are aware that family remittances from Indian Nationals in Indo-China to their dependents in India have been stopped recently;

(b) whether Government are aware of the great sufferings the dependents in India are being subjected to, on account of the stoppage of such remittances;

(c) whether any representations were made in this behalf by the Indo-China Indian Association; and

(d) if so, whether any steps have been taken to give relief to the dependents in this country?

The Deputy Minister of External Affairs (Dr. Keskar): (a) The hon. Member is presumably referring to the special remittance facilities granted to Indians in Indo-China by the Government of India. They were discontinued. But the facilities of making remittances through normal Banking channels as permitted by Exchange Control Regulations of the Government of Indo-China are still in force.

(b) Government is aware of the inconvenience caused to many Indians.

(c) No, Sir.

(d) No, Sir.

Shri Bharati: Do I understand the hon. Minister to say that the family remittances are still allowed to be made from Indo-China?

Dr. Keskar: Yes, Sir. Family remittances to the extent of Rs. 200 per family per mensem and to the total extent of Rs. 50,000 per mensem is allowed.

Prof. Ranga: Are these remittances being really received in India?

Dr. Keskar: Yes, Sir.

Shri Bharati: Were any representations made to Government, that these exchange facilities have been stopped and no remittances are coming these days?

Dr. Keskar: My hon. friend is being confused between the two. There was a special remittance facility granted by the Government of India by special arrangement with the Government of Indo-China. These facilities could not be continued as they violated the exchange control regulations of the Government of Indo-China. It led also to the accumulation of very large and unnecessary quantities of foreign exchange of that particular country. They were, therefore, discontinued, but some special remittance facilities which were granted by the Government to the extent of Rs. 200 is still in force.

Shri Bharati: My question refers only to the special remittances of Rs. 200 per month, subject to certain maximum. What I want to know is whether that facility has been stopped recently.

Dr. Keskar: No, Sir.

Shri Kamath: Are the facilities in this regard identical in the State of Bao Dai and the State of Ho Chi Minh?

Dr. Keskar: The State of Bao Dai and the State of Ho Chi Minh have come into existence only recently. I am speaking of the situation as it existed up till now.

Prof. Ranga: With what Government are we dealing—is it with France or the Bao Dai or Ho Chi Minh Government?

Dr. Keskar: Arrangements were made with the French Government and until they are replaced the present arrangements will continue.

Shri Bharati: May I ask the hon. Minister to make further enquiries. No less a man than a Member of Parliament told me that this facility was stopped.

Dr. Keskar: The matter has been thoroughly enquired into and I can assure the hon. Member that this facility has not been stopped.

Short Notice Question and Answer

DETENTION OF PILOTS AND RADIO OPERATOR OF INDIAN SERVICE PLANE IN PAKISTAN.

Shri Borooah: Will the Prime Minister be pleased to state:

(a) Whether it is a fact that at the end of December 1949 an Indian Service plane belonging to Bharat Airways Limited which took off from Agartala was force-landed in Eastern Pakistan;

(b) whether it is a fact that two pilots and one radio operator are under virtual imprisonment in Eastern Pakistan;

(c) under what International Law Pakistan is detaining these pilots and radio operator;

(d) if it is a fact that the condition of one pilot is at present serious;

(e) if it is a fact that continued detention of these pilots and radio operator is having serious effects on the morale of our airmen who have to fly over Pakistan; and

(f) what steps Government propose to take in this matter?

The Prime Minister (Shri Jawaharlal Nehru): (a) Yes.

(b) Yes.

(c) The grounds for detention are not known yet: enquiry has been made.

(d) The condition of the Radio Operator is reported to be serious.

(e) It is true that this detention, which does not appear to be based on International Law or usage, is resented by our air crews.

(f) Government has been in telegraphic correspondence on the subject with the Government of Pakistan. It is understood that orders for the release of the radio operator have already been issued. Further steps are being taken to follow up the protest which we have made in respect of the detention of the crew.

I should like to give some further information to the House in this matter. This aircraft that left Agartala on the 30th December had no passenger on board. It carried mostly jute and some other stuff. It had just three members of the crew. Soon after leaving Agartala the jute or something inside caught fire and so they had to come down fairly soon within ten miles, right in Pakistan territory. It appears that when they came down, i.e., force-landed, some people—I believe seven Pakistanis—came in the way and were killed by this forced-landing. These three members of the crew of the aircraft—two of whom were Englishmen, the pilot and the co-pilot and the third was a radio operator, Mr. Ghosh—were all rather badly burnt or wounded, specially the radio operator. They were apparently removed from there and put in some hospital in Comilla. Now obviously it is a matter of deep regret that such a forced landing should have taken place and that any person should have been killed accidentally by it. But we are informed—I have just heard by telephone from Calcutta—that the East Bengal Government have said that so long as some compensation is not guaranteed by the Bharat Airways for the families of the Pakistani citizens who were killed in the accident and so long as the West Bengal Government does not confirm that guarantee, they will keep these crews. Now that is a very curious situation of holding the crews as hostages for some compensation. That is a matter between the Governments to deal with or between the air company and the East Pakistan Government as the case may be and no doubt the matter should be enquired into and where necessary, compensation should be given but the holding up of the air crews as hostages is a most extraordinary argument to advance. I do not know what exact legal provision or legal argument has been advanced but I am told that it is said that the matter depends on the interpretation of an International Air Services Transit Agreement—not the matter of giving compensation I mean—the matter as to whether the Bharat Airways could fly in the particular way they were flying. There are two interpretations apparently. These flights take place from Calcutta to Agartala without stopping in the Pakistan territory. They are regular flights. These are the facts and I understand also that so far as the Pakistan Government in Karachi is concerned, they definitely told us that

Mr. Ghosh, the radio operator, was going to be released; but nevertheless, he is not being released. Whether the East Bengal Government does not approve of the direction from Karachi, I do not know.

Shri A. C. Guha: Has the Government any information about the present condition of Mr. Ghosh, the radio operator?

Shri Jawahar'lal Nehru: I have said he was seriously wounded. One Mrs. Randall, wife of one of the crew visited the place and saw them and she reported that all the three were rather seriously wounded.

Shri A. C. Guha: When was the direction given for the release of Mr. Ghosh?

Shri Jawaharlal Nehru: I cannot tell you the date but I should say not more than five or six days ago.

Shri A. C. Guha: Is it a fact that within a few days after the accident some instructions like these were sent and yet Mr. Ghosh was not released?

Shri Jawaharlal Nehru: I cannot give the date but as far as I recollect this must have been done about a week ago—may be a little more.

Shri Kamath: Is there any specific clause or provision in the Indo-Pak. Air Agreement covering cases such as these where the aircraft of one State-force-lands on the territory of the other?

Shri Jawaharlal Nehru: I imagine, not. These are governed by International provisions.

Shri A. B. Gurung: Is it a fact that the Bharat Airways refused to pay compensation?

Shri Jawaharlal Nehru: I know nothing about that.

Shri Hossain Imam: May I know whether any Officers of the Government of India have visited these persons and seen them?

Shri Jawaharlal Nehru: Not to my knowledge. The wife of one of the members of the air-crew went there and reported.

WRITTEN ANSWERS TO QUESTIONS

TECHNICAL EDUCATION

***236. Prof. K. T. Shah:** (a) Will the Minister of Labour be pleased to state whether the attention of Government has been drawn to Press Reports regarding the programme of Government to train up 10,000 technicians every year and if so, what arrangements have been made to provide such training, particularising the institutions wherein and the teaching personnel wherewith such training is to be imparted?

(b) Has all the necessary equipment for this training been obtained, and if so, wherefrom?

(c) What plans have been made for the employment of such trained personnel as and when it passes out after receiving the necessary training?

(d) What is estimated to be the annual cost to Government of such training, when in full working order?

The Minister of Labour (Shri Jagjivan Ram): (a) Yes. This refers to a new Scheme for imparting technical and vocational training to adult civilians, which has at present been sanctioned up to the 31st July, 1952 in place of

the existing Training Schemes for *ex*-Servicemen and displaced persons, which are due to be terminated very soon. Under this Scheme, provision has been made for 10,000 seats in 49 Training Centres throughout the country. Approximately 7,000 seats will be in engineering and building trades and the rest in occupations relating to cottage and small-scale industries. The annual output under the Scheme, when in full operation, will be about 6,500. The list of trades in which training will be given and the location of the proposed Training Centres are given in the Prospectus, copies of which are available in the Library of the House.

Teaching staff already employed for the training of *ex*-Servicemen and displaced persons will be utilised for the training of civilians. With a view to further improving the methods of teaching, they will be given a course of training at the Central Institute for the training of Instructors, Koni, Bilaspur (Madhya Pradesh) which has been established in consultation with the State Governments. Additional Instructors, who may be required, will also be trained at the Institute.

(b) The equipment purchased for the training of *ex*-Servicemen and displaced persons will, to a large extent, be sufficient for the training of civilians. Some additional equipment will, however, be required and this will be mostly purchased in India. Items which are not available in India will be obtained from abroad.

(c) The placement of trainees in employment will be carried out by the Employment Exchanges which have been established throughout the country. There is a considerable shortage of skilled manpower in the country and as the number of trainees passing out under the Scheme will be comparatively small, no difficulty is expected in finding employment for them. The following measures are, however, being taken to adapt the Training to the requirements of industry:

(i) The training facilities are being provided in consultation with the State Governments so that the trainees may be absorbed in the economy of the State on completion of their training.

(ii) Arrangements are being made to associate representatives of Industry with the trade-testing of the trainees at the end of their course.

(iii) A Sub-Committee of the Regional Employment Advisory Committee, including representatives of employers and workers, is being set up to supervise the training in each State.

With a view to making the trainees in technical trades more acceptable to employers, it is also proposed to arrange, in due course, for them to spend some time as apprentices in industrial undertakings with a view to gaining experience of production work under factory conditions.

(d) The total annual cost of the Technical and Vocational Training Scheme for Adult Civilians is estimated at Rs 68.8 lakhs out of which the Central Government's share will be approximately 44.5 lakhs.

DISPLACED PERSONS IN MADHYA PRADESH

***237. Dr. Deshmukh:** (a) Will the Minister of Rehabilitation be pleased to state the total number of displaced persons now inhabiting the State of Madhya Pradesh?

(b) Have any of them been settled on land?

(c) If so, how has the land been found?

(d) What is the number of displaced persons in Madhya Pradesh engaged in trade?

(e) What are the facilities made available to the displaced persons who have decided to live by trade?

The Minister of State for Rehabilitation (Shri Mohan Lal Saxena): (a) The hon. Member is referred to the reply given by me to parts (a) and (c) of his Starred Question No. 175 on the 9th February, 1950.

(b) and (c). Yes. Deforested land, evacuee land and agricultural land specially acquired has been used for settling 151 displaced families.

(d) It is estimated that about 18,000 displaced families are engaged in trade.

(e) Loans, houses, shops and quotas of controlled articles.

SOAP MANUFACTURE

***242. Dr. Deshmukh:** (a) Will the Minister of **Industry and Supply** be pleased to state what steps have been taken during the last three years towards increased manufacture of soap in India?

(b) Is self-sufficiency in soap being attempted and if so, what is the scheme?

The Minister of Industry and Supply (Dr. S. P. Mookerjee): (a) Assistance has been given to the Industry for import of raw materials namely, coconut oil, caustic soda and packing materials. Licences have also been given for the import of equipment to modernise their existing factories.

(b) The capacity already established is quite sufficient to meet our internal demands as well as export needs.

EXCHANGES OF IMMOVABLE PROPERTY

***247. Shri R. C. Upadhyaya:** Will the Minister of **Rehabilitation** be pleased to state:

(a) the number of transfers made in India by Muslims of their immovable property during the year 1949 along with the amount involved in such dealings; and

(b) the number of transfers made in Pakistan by non-Muslims of their immovable property in Pakistan along with the amount involved in such dealings?

The Minister of State for Rehabilitation (Shri Mohan Lal Saxena): (a) The Rehabilitation Ministry is concerned only with evacuee property and not with the property of Muslims in general. In the circumstances I am unable to give the required information to the hon. Member.

(b) The information required by the hon. Member relates to a foreign country and cannot be obtained.

CONTRACTORS' LABOUR

***248. Giani G. S. Musafir:** (a) Will the Minister of **Labour** be pleased to lay on the Table a statement showing Statistics regarding the wage earners employed with the building contractors?

- (b) If so, what are the average wages of an untrained wage earner?
- (c) What is the scale of pay of such a labourer with the Government?
- (d) What steps do Government propose to take to raise the standard of living of such class of people employed with the contractors?
- (e) What further facilities are given to such wage earners by the enlisted contractors?

The Minister of Labour (Shri Jagjivan Ram): (a) and (b), Government have no statistics in respect of contractors' labour except those employed in the Central Public Works Department construction work.

(c) The minimum wage of unskilled labour employed by the Central Public Works Department through contractors varies from Rs. 1-8-0 to Rs. 1-12-0 per day in the different regions.

(d) Enforcement of the Minimum Wages Act, 1948, which covers employment in building operations, is under the active consideration of Government. Apart from the Minimum wages to be prescribed for workers in the industry by the appropriate Governments, weekly holidays, hours of work, rest intervals and overtime wages will have to be statutorily fixed under Section 30 of the Act. Draft rules under the section have been framed and when finalised will be adopted by the States Governments.

(e) The responsibility for providing a fair wage, hutting on the approved site, maternity benefits, medical aid and compensation in terms of the Workmen's Compensation Act, 1923, to the contract labourers engaged in Central Public Works Department work, is that of the contractors. A Fair Wage clause is included in the standard form of agreement in force in Central Public Works Department contracts. Contractors have to pay their labour the rates notified at the time of the calling of tenders.

INDIANS IN CEYLON

***249. Shri V. Ramasiah:** (a) Will the Prime Minister be pleased to state the total number of Indians living in Ceylon?

(b) Did the Prime Minister take up the question of Indians with the Ceylon Government during his last visit to that country?

The Prime Minister (Shri Jawaharlal Nehru): (a) Approximately 8,54,000.

(b) No.

TEA CESS COLLECTIONS

***250. Shri Venkataraman:** Will the Minister of Commerce be pleased to state:

- (a) the estimated collections of tea cess for the year 1949-50;
- (b) the estimated expenditure on propaganda for tea abroad;
- (c) the estimated expenditure on propaganda for tea in India;

(d) whether any representations were received from the representatives of labour in the Central Tea Board that provision should be made by Government under Section 10 (1) (i) of the Central Tea Board Act, 1949 for the expenditure of not less than 33 1/3 per cent. of the total Cess collections for labour welfare work in plantations;

(e) whether it is a fact that the Chairman, Central Tea Board, ruled that no part of the Cess collections could be used for labour welfare work; and

(f) what action Government propose to take on the representations made by the Labour Representatives on the Central Tea Board?

The Minister of Commerce (Shri Neogy): (a) The estimated revenue of the Central Tea Board from tea cess under the Central Tea Board Act, 1949, for the year 1949-50 (that is from 1st October 1949 to the 30th September 1950) is about Rs. 65 lakhs.

(b) The estimated expenditure on propaganda for tea abroad is about Rs. 38 lakhs.

(c) The estimated expenditure on propaganda for tea in India is about Rs. 28 lakhs.

(d) Yes.

(e) Yes.

(f) The representations are being considered.

PROPOSALS OF INTERNATIONAL TEA COMMITTEE

***251. Shri Venkataraman:** Will the Minister of Commerce be pleased to state:

(a) whether it is a fact that proposals have been received from the International Tea Committee for the extension of the International Tea Agreement for a further period of five years;

(b) whether it is a fact that under the proposals of the International Tea Committee, the acreage under tea cultivation should be limited to 5 per cent. new plantings and 12½ per cent. replacements during the next five years;

(c) whether it is a fact that the Central Tea Board recommended that acreage under tea cultivation should be limited to 2½ per cent. new plantings and 6½ per cent. replacements during the next five years;

(d) whether certain countries who are not signatories of the International Tea Agreement are free to extend their acreage under tea cultivation without any restriction; and

(e) whether Government have accepted the proposal of the International Tea Committee or the Central Tea Board regarding the permissible extension of acreage under new plantings and replacements?

The Minister of Commerce (Shri Neogy): (a) and (c). Yes.

(b) The latest proposals of the International Tea Committee are to provide for extension of tea area up to five per cent. and replacement of tea area up to ten per cent. of the total permissible acreage as on 31st March, 1950.

(d) The International Tea Agreement is an agreement between the tea producers of India, Ceylon, Indonesia and Pakistan, which are the principal producing countries. Other countries are not bound by the provisions of the Agreement including those which seek to regulate tea cultivation.

(e) The proposal of the International Tea Committee has been accepted.

COAL MINES LABOUR WELFARE FUND IN ORISSA

***252. Shri B. K. Pani:** (a) Will the Minister of Labour be pleased to state why the Coal Mines Labour Welfare Fund in the Rampur and Ibb Collieries in Sambalpur district in Orissa is not being utilised for the last three or four years?

(b) Have Government received any representations during the course of the last one and a half years or more for the constitution of a Welfare Committee and for the utilisation of this fund?

(c) Is it a fact that the coal mine owners have suggested the utilisation of this fund for construction of houses for labour?

(d) Do Government propose to consult the Coal Mine Labour Union in this regard before any action is taken?

(e) Are Government aware that medical, educational, sanitary and other welfare amenities are practically non-existent in this area?

The Minister of Labour (Shri Jagjivan Ram): (a) As these collieries are far away from the main coalfields, it was not possible until recently to make effective arrangements for welfare measures. However, a non-recurring grant of Rs. 215 and a recurring grant of Rs. 450 per annum were sanctioned for leprosy work. Plans are being drawn up for extending all welfare measures to those collieries. These will include housing, health services, anti-malaria measures, education etc. Orders have already been issued for the appointment of a lady Health Visitor and for the periodical visits to these collieries of other technical staff.

(b) A representation was received regarding the unsatisfactory condition of labour in these two collieries, but there was no reference in it to the constitution of a Committee. However, the Coal Field Sub-Committee for Orissa will be associated with all welfare measures.

(c) No; but housing will be one of the activities of the Welfare Fund.

(d) The Workers' representatives will be consulted through the Coal Field Sub-Committee for Orissa.

(e) Yes. A lady Health Visitor and a Welfare Officer for Orissa have been appointed. Other activities will soon be taken up to the extent funds permit.

DELIMITATION OF CONSTITUENCIES FOR GENERAL ELECTIONS

***253. Shri B. K. Pani:** Will the Minister of Law be pleased to state whether Government propose to introduce any Bill in this Session of Parliament defining powers for the Election Commission, and if so, on what date approximately?

The Minister of Law (Dr. Ambedkar): Government do not propose to introduce a separate Bill for defining the powers of the Election Commission. They do, however, propose to introduce, if possible during this Session, a Representation of the People Bill dealing with various matters relating to elections, including the powers of the Election Commission. I am unable to specify the date when the Bill will be ready for introduction.

Tuesday, 14th February, 1950



PARLIAMENTARY DEBATES

(Part II—Proceedings other than Questions and Answers)

OFFICIAL REPORT

VOLUME I, 1950

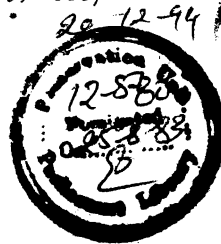
(28th January, 1950 to 23rd February, 1950)

First Session

of the

PARLIAMENT OF INDIA

1950



CORRIGENDA

to

the Parliamentary Debates (Part II—Other than Questions and Answers), 1st Session, 1950;—

In Volume I,—

1. No. 1, dated the 28th January, 1950,—

- (i) Page (i) Col. 1, after line 4 insert "Ahammedunni, Shri V.C. (Travancore-Cochin)".
- (ii) Page (ii), Col. 2, line 27 for "Rafi Ahmed, Shri" read "Shri Rafi Ahmed".
- (iii) Page (iv), Col. 2, delete line 20.

2. No. 2, dated the 31st January, 1950,—

पृष्ठ १८, आठवीं पंक्ति के आदि में "न्त" के स्थान पर "अन्त" पढ़ें।

3. No. 3, dated the 1st February, 1950,—

- (i) Page 32, line 13 for "ule" read "rule".
- (ii) पृष्ठ ७६, पंक्ति १८ में "पच्चास" के स्थान पर "पच्चीस" पढ़ें।

4. No. 4, dated the 2nd February, 1950,—

- (i) Page 103, line 3 add "it" before "is".
- (ii) पृष्ठ १०३, नीचे से दूसरी पंक्ति के अन्त में "जी" के स्थान पर "जीता" पढ़ें।
- (iii) पृष्ठ १०६, के अन्त में "आज हमको" के आगे "यह देखना होगा कि जो चीजें हमने अपने विधान में रखी हैं उनको मूलक के काम में लाया जाय। मैं अर्ज करना चाहता हूँ कि अब जमाना बदल गया है" जोड़े।

(iv) Page 110, line 5 from bottom for "humiled" read "bundled".

5. No. 5, dated the 3rd February, 1950,—

- (i) पृष्ठ १८२, दूसरी पंक्ति में "हालको" के स्थान पर "दलाकों" पढ़ें।
- (ii) Page 186, line 17 from bottom for "debator" read "debtor".
- (iii) Page 188, line 18 for "unformity" read "uniformity".

6. No. 6 dated the 6th February, 1950,—

- (i) Page 204, line 20 from bottom for "were" read "are".
- (ii) Page 212, line 12 from bottom for "of" read "the".
- (iii) Page 224, line 13 for "from" read "form".
- (iv) Page 232, line 20 from bottom for "happens to be the Chairman and whether he could be expected" read "will act as its President; he is an I. C. S. man and is, admittedly,".

7. No. 8, dated the 8th February, 1950,—

Page 315, line 19 for "refugee" read "refuge".

8. No. 9, dated the 9th February, 1950,—

- (i) Page 369, line 24 for "are" read "am".
- (ii) Page 371, for line 18 read "giving me credit for having done something which should really go to the".
- (iii) Page 389, line 2 from bottom for "khakad" read "khahad".

9. No. 10, dated the 10th February, 1950,—

- (i) Page 415, line 2 from bottom for "detrimetel" read "detrimental".
- (ii) Page 420, line 10 from bottom for "is" read "in".
- (iii) Page 431, line 3 from bottom for "L" read "5".
- (iv) Page 433, line 16 for "Trat" read "that".

10. No. 11, dated the 13th February, 1950,—

- (i) Page 454, line 25 from bottom after "was" insert "as".
- (ii) Page 463, line 21 from bottom for "re-assembled" read "then adjourned for".

(ii)

11. No. 12, dated the 14th February, 1950,—

Page 498, line 8 from bottom for "strach" read "starch".

12. No. 14, dated the 17th February, 1950,—

(i) Page 591, line 6 for "atmosphede" read "atmosphere".

(ii) Page 604, line 4 for "imperils" read "imperlils" and in line 6 for "calus" read "Salus".

(iii) पृष्ठ ६०८, पंक्ति ५ में "अम्मा" के स्थान पर "आमा" पढ़ें।

(iv) पृष्ठ ६०८, पंक्ति १२ में "तकरीर" के स्थान पर "जो तकरीर" पढ़ें।

(v) पृष्ठ ६१०, नीचे से पंक्ति ५ में "दस" के पश्चात् "दस" समाविष्ट करें।

(vi) पृष्ठ ६१४, नीचे से दूसरी पंक्ति में "तरह" के पश्चात् "से" समाविष्ट करें और 'बंगाल' के पश्चात् "से" हटा दें।

(vii) Page 616, line 12 from bottom for "then" read "their".

(viii) पृष्ठ ६२५, पंक्ति ६५ के अन्त में 'यह' को हटा दें और १६ के आदि में "काम" के स्थान पर "महकमा" पढ़ें।

(ix) Page 637, omit "last line".

13. No. 15, dated the 20th February, 1950,—

(i) Page 659, line 12 for "acpital" read "Capital".

(ii) Page 662, line 21 from bottom for "of the" read "in the".

14. No. 17, dated the 22nd February, 1950,—

(i) Page 708, line 15 from bottom for "States" read "State".

(ii) Page 723, line 21 omit "It is" before "Jowan".

15. No. 18, dated the 23rd February, 1950,—

(i) Page 751, line 13 from bottom for "Begal" read "Bengal".

(ii) Page 758, line 24 from bottom for "turbulation on accuont" read "tribulation on account".

(iii) पृष्ठ ७६०, नीचे से पंक्ति १८ के अन्त में "तो है मैं" के स्थान पर "हैं मैं तो" पढ़ें।

(iv) पृष्ठ ७७६, नीचे से पंक्ति ७ में "हा" को "कहा" पढ़ें।

(v) Page 783, line 2 for "a" read "as".

(vi) Page 798, line 2 for "coutry" read "country".

(vii) Page 800, line 9 from bottom for "33 percent" read "33½ percent".

(viii) Page 801, line 6 for "ward" read "award".

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PARLIAMENTARY DEBATES
(PART II—PROCEEDINGS OTHER THAN QUESTIONS AND ANSWERS)

Tuesday, 14th February, 1950.

The House met at a Quarter to Eleven of the Clock

[MR. DEPUTY-SPEAKER in the Chair]

QUESTIONS AND ANSWERS
(See Part I)

11-45 A.M.

PAPERS LAID ON THE TABLE

CONSTITUTION (REMOVAL OF DIFFICULTIES) ORDERS

The Minister of Law (Dr. Ambedkar): I beg to lay on the Table the following documents under clause (2) of Article 392 of the Constitution:

- (i) The Constitution (Removal of Difficulties) Order No. I. (Made by the Governor-General on 7th January, 1950).
 - (ii) The Constitution (Removal of Difficulties) Order No. II. (Made by the President on 26th January, 1950).
 - (iii) The Constitution (Removal of Difficulties) Order No. III. (Made by the President on 26th January, 1950).
- (Placed in the Library. See No. P-61/50.)*

ABSENCE OF THE SPEAKER

Shri R. K. Chaudhuri (Assam): Sir, may I very respectfully draw your attention to the fact that the hon. Speaker did not preside over the sittings of this House yesterday and to-day also it seems that the hon. Speaker is not going to preside over the sitting. The ordinary convention in other Parliaments is that when the Speaker is absent from the town and the Parliament sits some announcement is made by the Clerk of the House whose position is corresponding to the Secretary of our Parliament here and the reason for the absence is given. At that time the House gives its assent and the President of the Ways and Means Committee presides. In this House I do not know whether you, Sir, follow the convention of other Parliaments or not but so far as I am concerned, my only pet resolution was not allowed to be moved and also I find that we have changed a Preamble but if we follow the Parliamentary procedure, such an announcement ought to be made in the beginning of the sitting. Even if such convention is not followed, I submit, that the House is entitled to know what has prevented the Speaker from attending the sittings, whether on account of any public duties outside the city, or on account of his illness or on account of any other business. The House is entitled to know that in the beginning.

Mr. Deputy-Speaker: There is a specific provision in the Constitution, i.e. section 95, clause (2)—

"During the absence of the Speaker from any sitting of the House of the People the Deputy Speaker or, if he is also absent, such person as may be determined by the rules of procedure of the House, or, if no such person is present, such other person as may be determined by the House, shall act as Speaker."

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[Mr. Deputy-Speaker]

When the Speaker was absent I was not here. If I had been here I would have presided. But there is a Panel of Chairmen appointed by the Speaker, which he is entitled to do under the rules, and one of the Chairmen in the Panel presided, in my absence. This he is entitled to, under sub-section (2) of section 95. If a Chairman even is not available, then it is open to the House to elect one. In this respect the procedure of the House of Commons has not been followed in so far as there is definite provision in the Statute for this; and there is absolutely no reason why the Speaker should make any submission to the House regarding his absence.

Shri B. K. Chaudhuri: Sir, I am not finding fault with the Chairman for having presided or anything of that kind. What I wanted to submit was that an announcement should be made and the reasons for the absence of the Speaker should be stated so that the House knows them. Such a convention should be created.

Pandit Balkrishna Sharma (Uttar Pradesh): Why should it be done?

Shri B. K. Chaudhuri: I am only submitting that the reasons for the absence may be announced to the House so that the Members may know whether it is on account of any illness or any other important work that the Speaker is absent.

Mr. Deputy-Speaker: I do not find any need for creating a convention of that kind. It will be more an invention. My own feeling is the Speaker has got his own assistants, the Deputy-Speaker and the Panel of Chairmen; and he has the right to see that the work of Parliament goes on. Therefore, there is no need for any complaint of any kind from any hon. Member.

I will now proceed to legislative business.

Shri B. K. Chaudhuri: Is it no concern of the House to know? Supposing—God forbid—the Speaker is ill, should not the House know? That is the reason why the reason for the absence must, I say, be given by the Secretary.

Mr. Deputy-Speaker: I am obliged to the hon. Member for the enormous care and interest he is taking about the Speaker; but in so far as no inconvenience is caused to the House, the House need not be apprised of the reasons for the Speaker's absence.

INDIAN TARIFF (THIRD AMENDMENT) BILL—contd.

The Minister of Works, Mines and Power (Shri N. V. Gadgil): I am convinced that the House is validly gathered together to-day, in spite of the point of order of my esteemed friend Mr. Chaudhuri.

When the hon. House rose yesterday, I was referring to the fact that the starch industry was considered eligible for protection by the Indian Tariff Board in its second enquiry. Sir, the import of starch during the last six years shows that there have been periods when the imports had gone down and there have been periods when they had gone up; and it is seen that when the imports went down, in that period the output of the Indian factories rose, and if the output of the Indian factories came down it was due to the fact that the raw material, namely, maize was not made available to the Indian factories. To-day there is some control under the control order for sizing, and if this control is removed, the demand for starch would considerably

increase. The Indian factories at one stage in the year 1943, actually manufactured 77,000 tons of starch, and as I stated yesterday production has now gone down in 1948 to just 3,899 tons. I also stated yesterday that this fall was due to the fact that the raw material, namely maize, was not made available. The broad principles which justify grant of protection to any industry have been found to be applicable to this industry by the Indian Tariff Board in its first enquiry held in 1947, and as I stated yesterday, this conclusion was also endorsed in the second enquiry made by the Indian Tariff Board in 1949. The main point, as I stated yesterday is that the textile industry is one of our leading industries and starch is absolutely necessary for this industry. As a matter of fact, last year, 1948-49, this country imported as much as 44,000 tons of starch, valued at Rs. 2,61,00,000. It is possible to meet the Indian demand which has been put down at the figure of 50,000 tons by the Tariff Board after an elaborate enquiry. All that is needed, Sir, is to give a well deserved measure of protection and to make available the raw material, i.e. maize, so that India may, to a great extent, become self-sufficient in this matter. The Tariff Board, in fact, has been very fair to the consumer also. When it considered the rate of duty on sago flour, if it wanted to give complete protection, on the facts put before the Board in the course of its enquiry, a duty of about 75 per cent. *ad valorem* would have been justified. But the Tariff Board merely recommended a duty of 20 per cent. due to the desire that the competition should be less severe. And this small duty does not come to much, and will not be anything like a burden on the industry. In their first report, that of 1947, the additional cost if this duty were to be imposed is given as a little less than one pie per yard. On the other hand, there are thousands of workers who are employed in this industry which is now carried on in about 40 factories, though some of them have been closed down on account of shortage of the raw material. Capital of about a crore of rupees has been already sunk. The industry, when the supply of raw material was adequate, was carried on very sound principles. The quantity of raw material that is necessary is already available in this country. It has been found in the first enquiry as well as in the second that this industry if given protection will be able to stand on its feet in a reasonable time. In other words the eligibility of this industry for protection was already conceded and its continuance will also be justified in the light of facts I have stated just now. That is with respect to the starch industry.

Shri Jhunjhunwala rose—

Shri Gadgil: The hon. Member can say that in his speech, so that I will reply to all the questions instead of making a running commentary or undergoing a cross-examination. In this Bill, Sir, the recommendations of the Indian Tariff Board on the cotton textile machinery industry are also incorporated. This also is an industry which fulfils the conditions laid down for any industry to be eligible for the purpose of protection. So far as this industry was concerned, there was an enquiry by the Indian Tariff Board in the year 1947 with fairly wide terms of reference, viz.—

"That it is established and conducted on sound business lines, that having regard to the natural or economic advantages enjoyed by the industry and its actual or.....it is likely within a reasonable time to develop sufficiently to be able to carry on successfully without protection or State assistance, that it is an industry to which it is desirable in the national interest to grant protection or assistance and that the probable cost of such protection or assistance to the community is not excessive."

In the first enquiry, Sir, the conclusions recorded by the Tariff Board were as follows:

"There is a very large home demand for cotton textile machinery in the immediate future. There is every reason to believe that ring frames of high quality can be produced in this country. Practically all the raw materials required for the industry are available in the country."

[Shri Gadgil]

But the Board did not recommend any protection, as it thought it was not possible to make any reasonable estimates of cost based on the very small volume of production so far achieved in the country. The Board desired that there should be a further inquiry when production increased.

As a result of this the matter was again referred to the Indian Tariff Board and the recommendations are now available, and as I said, those recommendations are embodied in the Bill.

[SHRI HOSSAIN IMAM *in the Chair*]

Mr. Chairman, in this textile machinery industry already a capital of Rs. 4.82 lakhs is invested. About 36,000 are already working. The test which justified grant of protection and to which reference was just made by me a few minutes ago was satisfied and the main recommendations or rather the main findings are already embodied in the first report, i.e., the interim report, and those findings have been now confirmed in the second report submitted by the Indian Tariff Board. Sir, the demand, the quality, the availability of raw material and the possibility of this industry being able to stand on its own legs in the near future, that there would be no excessive burden on the community—all these questions have been thoroughly enquired into, discussed and certain conclusions arrived at in the second enquiry. Now, the Indian demand, Sir, for the year 1950 so far as spindles are concerned would be 2,50,000, for 1951 3,50,000 and 1952 five lakhs. In the spinning ring frames with an average of 400 spindles per frame, in 1950 it would be 625, in 1951 it would be 875 and in 1952 it would be 1250. In comparison to this demand the possibility of the Indian industry supplying requirements has been recorded as follows:

"There would be 348 ring frames with an average of 400 spindles throughout 1950, 1951 and 1952."

In other words, if the total number of spindles demanded is five lakhs for the year 1951 there would be a supply of 1,39,200 spindles. Similarly about the plain looms: the demand in 1950 would be 6,000 whereas the supply from the Indian industry would be 5,400. Supply will continue to be the same, although there will be a rise in the total demand going up to 1,200. That being the position of the demand, there is every justification for encouragement.

As regards the quality of production the second enquiry has come to the finding:

"On the basis of the available evidence we have found that during the last three years the industry has taken steps to expand its production as well as improve the quality of its products and that most of the ring frames manufactured in the country are fairly satisfactory as regards their performance."

As regards the raw material, I need only sum up by saying that iron and steel and other things which constitute a substantial part of the raw material in this industry are to be found in this country, but apart from this fact the point is shall we or shall we not try in this country to make one of our leading industries, such as the textile industry as much self-sufficient as possible in the matter of all subsidiary requirements? From that point of view, Sir, I think it is only just and in the fitness of things that this industry ought to be given protection. The recommendation of the enquiry Committee of the Tariff Board is:

"That there should be ten per cent. protective duty on all the articles howsoever they may be described."

Originally there was a revenue duty of ten per cent. But it was reduced to five per cent. in order to help the industry. The Tariff Board came to the conclusion that this ought to be raised to ten per cent. and that recommendation has now been accepted by the Government. The Tariff Board also recommended that there should be some reinforcement with respect to this protective duty and the Tariff Board recommended that there should be duty *plus* import control or duty *plus* subsidy. As a matter of fact, on account of other reasons, there is also a sort of import control. Therefore, situated as we are today, there is no necessity to consider this alternative and the question of subsidy does not arise.

Prof. Ranga (Madras): What is the nature of some kind of import control that there is already?

Shri Gadgil: The import control is due to the fact that the exchange position is not what it ought to be.

This country has already given a high priority to the manufacture of industrial plant and machinery. If that is kept in mind, then one of the most suitable industries for establishment at the present stage will be this industry. It is already well established. It is conducted on sound business lines and all other qualifications which I have detailed are already there. And what is far more important, its related demand is going to be continuous and, I should say, would be rising progressively.

In view of these facts the Tariff Board recommended a protective duty of ten per cent. and this was done after having calculated the fair selling price for each of these articles and taking into consideration the landed cost, the duty is just and fair both to the industry and to the community at large. The finding that this will not cast any excessive burden on the community has been recorded by the Tariff Board and they say that this burden will be negligible. Here are recommendations which are fair to the consumer, fair to the industry and if it is the aim of this country to encourage industrialisation, I think here is an attempt in the right direction...

Shri Sidhva (Madhya Pradesh): What about the consumers?

Prof. Ranga: They are themselves industrialists.

Shri Gadgil: My hon. friend suggests consideration for the consumers. I have already stated that so far as protection to the starch industry is concerned the burden is so little that it does not come to even one-third of one quarter anna per yard. On the other hand, so many thousands of workers are involved, as also so much of capital and a fair share of the profits to the community and if some of you are more quick about it, even more profits to the community. As I said there is a finding recorded, after due and very elaborate enquiry by the Indian Tariff Board that the cost would be negligible.

After all there is this eternal question: if we grant protection then the consumer suffers and if we part with protection, probably the commodities will be available at lower prices. But as a consequence all these industries will suffer, there will be wide-spread unemployment and ultimately the economy of the country that has been gradually built up will disintegrate.....

Shri Sidhva: Question.

Shri Gadgil: We have already made the choice long, long ago. What is known as discriminating protection has been accepted and as the House is well aware,

[Shri Gadgil]

the whole question is now referred to the Fiscal Commission. So long as no new policy has been adopted, the policy that holds the field today is the policy that governs all the actions of the Government.

Shri Sidhva: Not necessarily.

Shri Gadgil: After all protection for sometime has been the only instrument of policy so far as encouragement of Indian industries is concerned. Let us hope that there will be something more than mere manoeuvring or manipulating of customs tariff to encourage our own industries. It is not the object of this Bill to raise the general question and if you, Sir, permit a general discussion over the issue of protection, though it may be helpful, whether it would be strictly relevant or not is a matter within your jurisdiction.

Shri Sidhva: So it is a question of your protection.

Shri Gadgil: If this wider question is raised I am quite prepared to give the views of the Government and my hon. colleague Shri Neogy will also give the views of the Government and certainly we shall be glad to have the views of the Members of this hon. House.

Sir, I commend my motion to the House.

Mr. Chairman: Motion moved:

"That the Bill further to amend the Indian Tariff Act, 1934, be taken into consideration."

Prof. Ranga: Sir, I am very glad that Government has brought forward this Bill. I am in complete agreement with what has just now fallen from the lips of my hon. friend Mr. Gadgil regarding the need to protect some of our strategic industries. I have no doubt whatsoever that these two industries for which protection is being asked hold strategic places in our industrial economy.

Now who are these consumers with regard to whom my hon. friend Mr. Sidhva is so very impatient to plead before the House? They are not the ordinary people in the streets whom we meet day after day in our country. They are not even the upper middle class people: they are themselves industrialists. Who are the people who consume or who make demands for starch? We have the spinning mills in this country and it is the millowners, the high placed mill magnates who consume it. Here and there, there may be small millowners but they are nevertheless not small people. (*Interruption.*) The hon. Minister has already stated that the burden on the ordinary man will be one-third of one quarter anna.

Shri Sidhva: Have you read the full report?

Prof. Ranga: Yes, I have. That is why the Tariff Board has taken all these things into consideration and come to the conclusion that this protection should be given. Who are the consumers of these ring-frames and the spindles that are going to be manufactured by this industry? They are not the handloom weavers.....

An hon. Member: Yes.

Prof. Ranga: No, not so much as by the spinning mills. Ring-frames are not used by handloom weavers. They are used by spinning mills and the millowners are not small, poor or helpless people. They are so powerful that they can look after themselves.

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This question also came up for discussion before the Textile Advisory Committee. There were two sets of big magnates and it was more or less a tussle between one set of big magnates on one side and another set of big magnates on the other. While they were discussing I began to think how it was that these people quarrelled among themselves: what are the rights and wrongs of it? I came to the conclusion that if by any chance there were to be another war again it would be impossible for this country to import the ring frames from some other country, in which case what is to happen to our own spinning mill industry, which we have built up with crores of rupees over so many years in our history. Who is to help this industry? It is true that just now, merely because they are short-sighted they want to make huge profits but in a war they will not be able to import all these things at a cheap price and they do not care what happened to the ring-frame manufacturing industry. Supposing the country as a whole were to have the same view in regard to the spinning mill industry, supposing they had not given any protection in the past and if they do not agree to give any more protection, subsidy or other assistance to this industry, what will happen to this industry? It will go to the dogs.

Therefore, if we are keen on seeing to it that our spinning industry is protected, rationalised, brought up-to-date and kept in as efficient a condition as is the case with the spinning mill industry in other countries, then it is absolutely necessary that we should also take care to see that the ring frame manufacturing industry is encouraged, built up and in every possible way helped. That is why I am so very glad that the Government has come forward with this proposal.

Coming to the starch industry also, was it not because of the kind of small protection that was given during the course of the war that so many manufacturers in this country were able to show enterprise enough to manufacture starch from out of tamarind seeds—tamarind seeds which are going to waste? And by manufacturing starch out of tamarind seeds did they not help the food drive?

Shri Sidhva: It is not manufactured out of tamarind seeds.

Prof. Ranga: Make that suggestion to them. Do not kill the industry.

Shri Sidhva: I have made it.

Shri Gadgil: Shall I reply to your query?

Prof. Ranga: You can reply afterwards. That enterprise was shown by our own industrialists during the war, because some protection was given to them. If they are not utilising tamarind seeds now I am prepared to join issue with the Government in seeing that food products are not placed at the disposal of the starch industry and asking the industry to use tamarind seeds and other seeds which are not edible. The most important point is whether the starch industry should be protected or not. Here is a Tariff Board recommendation. And why did we appoint a Tariff Board? Merely because the House has not got the time to go into all these details. Therefore we have appointed it to study the whole question and satisfy itself whether protection has got really to be given. Here is a Board which comes forward and makes this recommendation to us that protection ought to be given to this industry. What is it? It is a very infant industry; nevertheless it is a key industry. Without starch you cannot carry on your spinning and weaving work. Are you going to import it into our own country? If you are, we will be reduced to this ridiculous position that everything else we have but not this small key product and for want of this key product the whole of your

[Prof. Ranga]

industry will go to the dogs. Are we going to take that position? Certainly we should not. Therefore, it is better not to be cheese-paring in regard to these things, not to be particular about our own arguments but to see the point of view of the Government. Our Government, I can assure my hon. friend—and I am sure he agrees with me—is not anxious to fatten these industries but it is anxious to build up these industries which are of strategic importance in regard to key industries like the spinning industry. I do not want this country to be caught napping.

One word in regard to the general position. I am anxious that Government should no longer be wedded to the so-called policy of "discriminating protection." On the other hand, what I would like the Government to do is to make a survey of our needs in regard to all those key products which must be produced in this country in order to maintain our own major industries. Then it is its duty to think of ways and means by which we can provide protection for all these key industries.

Shri B. Das (Orissa): But, that the Fiscal Commission is doing!

Prof. Ranga: Yes, that is what the Fiscal Commission is busy about and I sincerely hope that it will come to right decisions and give us guidance. While the Fiscal Commission is busy with its own work it is not right for anybody to plead that this thing may be delayed, because we have delayed it for too long. Let us go ahead with whatever help we can possibly give and whatever help Government asks us to give. They are not asking us to give a subsidy as was recommended by the Tariff Board.

Shri Goenka (Madras): They have done it in fact.

Prof. Ranga: In an indirect way. Government have taken care to see whether the industry is given any protection or not. In fact it has been getting it. So they did not blindly accept the recommendations of the Tariff Board. On the other hand they examined the whole position and found that the industry is getting protection in an indirect manner and therefore a subsidy need not be given, that it will be enough to give it ten per cent. duty and nothing more. Even in regard to this ten per cent. they were already getting it upto five per cent. Therefore it is clear that the Government has taken sufficient care to protect the interests of the so-called consumers. And what is the point of view of the consumers? They argued in the Textile Advisory Committee itself in a very selfish and short-sighted manner, if I may say so. They said "we do not want to use the machinery". Asked "why not?" they said "Because our rooms were all built for the earlier types of ring-frames; we do not want to change our rooms and change the whole set-up". That is not the way in which a national industry can be expected to behave. If it is necessary they must be prepared to rebuild their own factories in order to rationalise their own production. If it is necessary in the interests of the nation they must be prepared to rebuild their own rooms. And if it is necessary they must be prepared to so readjust their own industrial economy as to fit in these ring frames.

I agree in regard to one point that everything possible should be done by the Government as well as the industry concerned in order to improve the efficiency of the manufacture of these ring frames. Let us ask the Government to take necessary care about it and I hope the Government will continue to take necessary care in order to see that this industry becomes more and more efficient and that its products will not only be satisfactory but will be thoroughly efficient and even more than satisfactory. In that direction I do

trust that Government will try to take sufficient interest and come to this House with its own periodical reports to report to us that the industry's efficiency is going up.

Shir Goenka: That will never happen.

Prof. Ranga: Well, it is easy for my hon. friend to say that because he is himself one of the industrialists. He may know quite a lot about that particular concern. But if that concern were to be given this protection then it would be open to the Government itself and to this House to expect that concern to show better efficiency.

Shri Goenka: You can expect.

Prof. Ranga: If they do not step up their own efficiency, if they do not go on producing better and better machinery, then it will be open to the House, to the hon. Minister and to the Government to say to them "You do not deserve this protection; therefore we are not going to give it; on the other hand we are going to float or encourage some other company". Whose fault is it if not more than two or three companies have come forward to establish this industry? Is it their fault? It is not their fault. It is the fault of our own industrialists in this country. Let more industrialists come forward and develop this industry and show better efficiency, and in that way satisfy both the consumers and the nation as well. I therefore sincerely hope that the House will have no hesitation whatsoever in giving its support to this Bill.

Shri Sidhva: Sir, I do not think anybody will dispute the principle of giving protection to our own industries. My friend Prof. Ranga gave a sermon on the question of protection to Indian industries. But that is not the point. The point is whether the industry deserves that protection. One cannot start any industry and come and say "we want protection from Government" at the cost of the larger interests of the people of this country, and by placing a burden on the tax-payer. That is the point to be considered. The question whether this starch industry which started in 1937 has improved or has on the contrary deteriorated is a matter for the consideration of this House. The Tariff Board Report itself proves that 18 out of the 39 factories are deteriorating, are uneconomical. They were started under such conditions that they cannot improve. Therefore, it is for the Tariff Board and the Government to consider whether they should continue protecting this staggering and tottering industry which cannot rise unless its old machinery is scrapped and unless modern machinery is installed in these factories. Unless that is done, I can assure you that these factories for ages to come will not improve and protection will be demanded from time to time. This is not the first time even in this new House that the question of protection for this industry has been brought up. In the September session of 1948, my friend Mr. Neogy brought forward a similar proposal with arguments similar to those now advanced by my friend Mr. Gadgil, and said that the starch industry needed protection for two years after which the condition of the industry would improve. To-day the same song is repeated here by Mr. Gadgil without giving us any indication as to how long they are going to continue the protection and whether the industry is in a position to improve itself and stand on its own legs. Being a free nation, our main point to-day should be to see that we keep this key industry in such a state so that we can really depend on it in an emergency. Prof. Ranga asked what would happen to this industry if a war started. Does he know that if a war starts this industry cannot give us even 1/100th of our requirements. The capacity of these 39 factories is 73,000 tons a year. In 1947 they were able to produce only 1,350 tons! In 1948 they were able to produce 3,599 tons.

Shri Gadgil: In 1943 they produced 71,000 tons.

Shri Sidhva: That is not correct; I will tell you why. If you go through the Report it is definitely mentioned there that on account of the scarcity of raw material they would not be able to stand on their own legs. They have been depending on maize all along but that is a foodgrain today and is therefore not available. The industrialists reported their difficulties to the Food Ministry. In Bengal some deteriorated maize was available but despite its low cost it was found to be uneconomical for the purpose of this industry. Sir, last time I made a suggestion that starch could be manufactured from the tamarind seed and my friend Mr. Neogy promised to look into my suggestion, but not a word is mentioned to-day about the use of the tamarind seed.

Shri Gadgil: I have kept it for my reply.

Shri Sidhva: It is all right that you may keep it for your reply, but a promise was made in this House that an experiment would be made with the tamarind seed and still not a word is mentioned in that regard.

Shri B. Das: Perhaps Dr. Bhatnagar is examining it.

Shri Sidhva: Therefore, I say that today the Government should direct the Tariff Board not to follow the old policy which they have been following. Government says that we require the Indian industry to flourish and to be supported fully. I agree, I myself want our industries to flourish. Before our independence, I must have preached from a thousand platforms that at any cost, at that time, Indian industry must be supported and that Government must protect it against foreign competition. But today the position is different. Today we do not want to support them *at any cost*. You will be absolutely spoiling your economy today if you look at it from that point of view. Just now the hon. Minister stated that a 75 per cent. protective duty would be necessary if you want to keep this industry going. He is perfectly right. That is the recommendation of the Tariff Board. And a 75 per cent. duty is required. Why do you hoodwink this House by asking only for 20 per cent.? Can this industry flourish with a 20 per cent. duty? Say that 75 per cent. should be given, then I can understand your viewpoint. But then the hon. Minister knows it very well that our economy will be upset if he gives a 75 per cent. protective duty and that we will not be willing to agree to it. Therefore he is starting with a 20 per cent. duty. The Report itself says that this 20 per cent. will not suffice and the time will come when the Government will have to revise it.

My friend Prof. Ranga asks who are the consumers in this case. Has he calculated that Rs. 2 crores worth of sago flour has been imported? If a 20 per cent. duty is imposed it means an additional Rs. 40 lakhs. Who will pay this Rs. 40 lakhs? The industrialists are not so charitable that they will bear it themselves. They will increase the price of the cloth which will be paid for by the consumers. I am surprised that Prof. Ranga who poses as the champion of consumers should say that the industrialists are the consumers. Being a Professor, it is a novel thing which he suggests. I am rather surprised to hear that argument at least from my friend Prof. Ranga. I can understand it if it comes from the Minister who has to say all sorts of things to give the protection.

Therefore, the point is that we have to carefully consider this question and Government should very carefully consider it before they decide on it. They should not act merely in their zeal that somebody requires protection and therefore they must give it. They must make out a case here as to why protection is necessary and say how long they are going to give it. I shall quote some

relevant passages from the Tariff Board Report from which it will be surprisingly clear that this industry which we are going to protect will lead the country to such an economic disaster that it will be very difficult to get out of it. Page 20 of the Report says:

"On the basis of the c.i.f. price of pink sago flour at Rs. 19-12-0, of white lingga at Rs. 26-9-0 and of maize starch at Rs. 33-11-7, the duty required to be levied would be 75 per cent. on pink and 30 per cent. on white variety. In our opinion, it would not be fair to impose very high rates of duty on a product like sago flour used by the textile industry, particularly when most of the starch factories are not in production."

What does it state? It definitely states that you require 75 per cent. to give a real protection, but it also states that it is not advisable to do so. It goes on to say:

"We therefore recommend the same rate of duty on imports of sago flour as we recommend in a subsequent paragraph on maize starch and farina, i.e., 20 per cent. *ad valorem*. This would reduce the competitive strength of sago flour to some extent. We, however, believe that the duty of 20 per cent. that we have recommended for sago flour would not be adequate and an adjustment may be necessary when the starch industry is in full production."

Now, you cannot, therefore, lay before the House this proposal for a 20 per cent. duty. By straightaway imposing this 20 per cent. you are going to affect the consumer and your economy will suffer considerably. Today the Government is out to bring down the prices. If that is their policy, I want to know whether they have taken into consideration the corresponding rise in price which will certainly take place after 1st April from which date you are granting this protection of 20 per cent. This 20 per cent. duty would be passed on by the industrialists to the consumers. Therefore, I suggest that Government should pass orders telling the Tariff Board to stay its hands until the Fiscal Commission makes its recommendations. Sir, I will confine just now only to the starch industry; I will not give my impressions of various other industries although I have my own views about those industries as well. As regards the starch industry, Government should see which factories can really stand on their own legs. The Tariff Board stated that the impoverished condition of the machinery of several factories cannot stand full production.

They are standing on artificial legs. I want them to stand on their real legs, on their strength, what nature has given them. Government want to keep them on artificial legs and that is going to bring us down to this great calamity as far as our finances are concerned. I have therefore to suggest to Government that they must instruct the Tariff Board that they must, in detail, examine the working of each industry when the question comes before them and not merely in a haphazard manner say simply that some industry should be protected because it is falling. What does it matter if it is falling? How much have they invested, and how much they have earned? They have earned 50 per cent. Have they contributed to the Government? Have they said, "We have earned 50 per cent. Kindly take 25 per cent. and 25 per cent. we shall distribute to our shareholders."? No. Instead of giving even proper income-tax, they went on dividing the profits among the shareholders and a major portion went to the Directors. That is the position. The textile industry is three-quarters of a century old. In Japan, in the textile industry, one operator can look after sixteen looms at a time. Here, in Ahmedabad, one operator looks after one loom. In Japan their machinery is automatically improved. They are so automatically working that one operator can look after so many looms. Our industry has one man for each loom. How can you compete under those circumstances? When the textile industry makes profit—heavy profit—they would not lay aside anything for improving their machinery, importing modern machinery. They embezzle themselves

[Shri Sidhva]

(*An hon. Member*: Embezzling themselves?) or they take away their own money and utilise it. That is the state of affairs. Unless an improvement has been caused, this protection is not going to give any kind of relief to the industry, nor to the people at large. Therefore, my suggestion is this, that the Tariff Board should consider this question and find out where the raw material is available, first of all, and at that place only, where this starch is to be manufactured, this industry should be set up. This new policy should be adopted, that a factory, when it is started, should be located at a place where it can also produce the raw material. The factory owners must also cultivate that particular raw material. Maize is available in any quantity in our country. But when the factory is started, the owner depends on somebody else for maize. Maize is grown 1000 miles away from the factory. The factory is far off from the cultivating area. Why should not the owner grow the maize himself? Maize could be grown on any soil in India. He must construct the factory at a place where the raw material is available and the industry must also see that the raw material should be produced near that area. That kind of policy Government must adopt. Make it self-supporting. Supposing he has to go to far off places. Say Bengal. Supposing he says to Bengal, "Give me maize", Bengal will say, "We want maize ourselves." If he goes to C.P., C.P. will want the maize. So you cannot go to far-off places, or foreign countries, begging for raw materials and then say that you have to import raw materials. From where are you going to get maize? I want to know that. (*An hon. Member*: Tapioca.) Madras is not going to give you that, because it is a food. Tamarind, you are not going to get. Even after giving protection, how are you going to increase your production? I want to know from the hon. Minister and from my hon. friend Prof. Ranga. The Tariff Board has said that thrice efforts were made to get 50,000 tons of maize, from even foreign countries, and they were unsuccessful. This the report under consideration which states that thrice efforts were made to import maize or to get it locally. Deputation of these people went thrice to them and an arrangement was arrived at. Orders were sent. Still nothing came out of it. The hon. Minister has to satisfy the House, and not merely come to the House and say, "This industry must be protected." My hon. friend Mr. Gadgil has sat on the opposite side. To-day in his zeal to support the industry, he voices differently. People may go to the dogs, but he says the industry is falling and it must be supported. (*Shri Sondhi*: He has grown wiser.) I am not prepared to support this kind of thing.

Babu Ramnarayan Singh (Bihar): It is the same old way.

Shri Sidhva: I cannot support this, because I think it would be detrimental to the interests of the general economy of this country. These factories have not been able to produce any satisfactory result. Let them go on for a couple of years as they are going on. We will not be worse off if they go on for two years or even three years more as they are going on. I am convinced that neither the raw material is available nor are they going to produce more than five or ten per cent. You are, at the same time, burdening the consumer with higher prices, when the Government are anxious to see that prices are to be brought down. I want a definite answer from the hon. Minister as to what he has to say to that. If this duty is given, the prices of the textile industry will be increased. He has not given an answer. I want a straight answer. In his zeal to give this kind of protection to this industry, he is going to go contrary to the policy of the Government of bringing down prices. I have quoted to you figures. These forty lakhs the industry is not going to pay from its pockets. It is going to put up the price of textiles. While my hon. friend Dr. Syama Prasad Mookerjee is trying his best to bring down the prices and while my hon. friend the Finance Minister is anxious to bring down the prices—still the prices are not coming down—here is the Minister who wants to put up the prices.

Some Hon. Members: Hear, hear.

Shri Sidhva: I have a great grievance in this respect. My point is: you cannot hoodwink the House by merely stating that this industry must be protected. I consider it is a national industry. It must be supported, but I am not going to support it with my eyes open when I am sorry to see that the interests of the country as a whole will suffer. A crore of rupees is invested in this industry. One crore of rupees by thirty-nine factories—if they go to the dogs, let them go, but I do not want to have the consumer and the State and the whole country suffer by that. Therefore, I have suggested this method, and this method should be adopted, if they want to improve the condition of the factories.

Then the second thing is this. I was stating that if the sago flour is going to be protected by this 20 per cent. *ad valorem* duty, from what are these factories going to produce the requirements of 73,000 tons of starch? That, my friend has not informed us. If he says from maize, then the report on maize is very glaring. If my friend wants me to quote, I shall quote to him the relative paragraph from which he will see that thrice efforts were made and maize was not available.

"Because of the irregular supplies of maize and of its poor quality....."

Now, again, quality comes in.

Shri B. Das: May I enquire from my hon. friend what is the Report from which he is quoting?

Shri Sidhva: This is the Tariff Board Report on continuation of protection to the starch industry, placed on the table of the Library on the 3rd February, 1950.

Shri B. Das: I thought you were reading your own notes!

Shri Sidhva: No, no. I am up to date. I am not quoting from my notes. So, I was stating what the state of affairs was even so far as the supply of maize was concerned, which was not available. Then it says:

"As regards the deteriorated maize of 36,500 maunds lying with the West Bengal Government, it was agreed that it should be taken over by the All-India Starch Manufacturers' Association at Rs. 8-8-0 per maund quoted by the West Bengal Government. We were informed by the Association that they had accepted this allotment at Rs. 8-8-0 per maund quoted by the West Bengal Government."

But the West Bengal Government were not prepared to part with it for anything less than Rs. 10. This was the position, and the Food Ministry intervened and decided to import and they were also not successful. Therefore, the Report of the Tariff Board and the recommendation of the Government are incomplete.

Do Government ever consider whether the industry for which they seek protection in this House, is able to stand on its own legs. They merely come to this House and seek our approval for the imposition of an *ad valorem* duty, thinking thereby that the industry will automatically prosper. But now that old crude method of giving protection to an industry by imposition of a duty is completely out-of-date. It is not a sound principle. I myself have blindfold agreed to affording protection to Indian industries in the past. But that was before Independence and there were certain special reasons for it. I then thought that under *Swaraj* these industries would be ours and that they should live, even if the tax-payer and the consumer would have to pay something. But you are now following the same policy. Do you think that this policy will pay you? It won't pay you and there is proof positive that it has not paid you. You think over the matter. What is the position to-day? I do not know what you are going to do with protection to sugar. I do not know when that subject is coming up. I do not know what the Tariff Board has said. But as I have

[Shri Sidhva]

said on previous occasions, Government must send fresh instructions to the Tariff Board. The Tariff Board is at present working on the old methods and under the old terms of reference. Unless you change the terms of reference of the Board, they are not likely to take the consumers' interests into consideration. The Fiscal Commission is bound to take at least six months more to submit their report and Government are sure to take some time to come to a decision on the Commission's report. For the interim period Government should send revised instructions to the Tariff Board.

I have absolutely nothing to say against the personnel of the Tariff Board. They are highly experienced men and I have the greatest respect for its Chairman. I know him personally. There can be no question about his integrity and about his ability. But that is not the point. The question is as to how he should work, and unless you give him definite instructions to that effect, he proceeds on the assumption that the function of the Board is to recommend protection for the industries. I do not mean to say that the Tariff Board does not take the consumers' interests into consideration. But unfortunately consumers' interests assume a minor role.

Shri Himatsingka (West Bengal): But what is the new method suggested by Mr. Sidhva?

Shri Sidhva: I suggested the tamarind seed a long time ago.

The other suggestion according to the industries themselves is the maize. Then tapioca was suggested; but tapioca is not available in sufficient quantities. I am not an expert in this matter. I do not own any factory. If I owned any I would have run it properly and satisfactorily rather than be a burden upon the State. I am for protection, provided there is real competition from foreign countries as happened some years ago in the case of Japanese goods which were dumped into India in large quantities. Our markets were flooded with Japanese goods to such an extent that the Indian industries were almost in danger. If such an eventuality were to arise again, I would be quite prepared to come to the help of Indian industries. But that is not the point here. Here the position is quite different. Maize which is going to cost Rs. 41 and sago which is going to cost Rs. 32 are going to be a burden upon the tax-payer.

Mr. Chairman: Will the hon. Member be able to finish his speech in five minutes?

Shri Sidhva: I will take some more time, Sir.

Mr. Chairman: Then he may continue his speech in the afternoon. The House then stands adjourned to half past two.

The House then adjourned for Lunch till Half Past Two of the Clock.

The House re-assembled after Lunch at Half Past Two of the Clock.

[MR. DEPUTY-SPEAKER in the Chair]

Shri Sidhva: I was narrating before the recess as to how this industry will not be able to work satisfactorily rather leave aside thriving by the protection that the Government desires to give it. I have quoted facts and figures from the Tariff Board in support of my argument. I shall now conclude my remarks as far as the starch is concerned by stating that the Tariff Board has not suggested any other raw material than maize which is to-day used for food in this country. We are producing food in this country and we are importing maize also to a very large extent. It is stated in the Tariff Board report that for want of maize, the factories were not in a position to produce what they ought to have. They have not suggested any other alternative except that the sago flour which is used by the textile industry should be levied with a duty which is now free and that is the only solution. I know that about 75 per cent. of the sago flour is used for textile—rather 80 per cent. according to the Tariff Board report and 20 per cent. for jute and paper. Therefore the textile mills are greatly interested and they are now importing sago for starch and also starch to an extent is imported. I don't understand the basis on which Government feel that by imposing 20 per cent. duty the factories will be thriving making a profit and at the same time it will be competing against the imported starch or sago. It will be seen from the figures that the starch produced from maize indigenously here costs Rs. 41-1-1 per cwt. The imported cost c.i.f. including duty is Rs. 34-1-2. You can understand that there is a gap of nearly Rs. 7/- between the two. The maize price is based on Rs. 10/- but the maize price fluctuates and apart from the insufficiency of maize, the Tariff Board states on page 30 paragraph 7 in the recommendation that the price of maize is a very substantial factor in the cost of production of starch. If the price of maize varies considerably from Rs. 10/- per maund, this factor should be taken into account in determining the fair selling price of starch in the scheme of production. After recommending even that the Tariff Board itself is doubtful—as I showed from figures before the recess hour—that this 20 per cent. duty is not going to help the industry. They say if you want to support this industry, it should be 75 per cent. If the price of maize fluctuates, your whole calculation is upset and therefore you will have to consider the question of duty on the basis of the price of maize. My argument therefore is that while there are two factors in this matter, the maize is not available and there is no other alternative raw material and you are shutting down sago flour which was used for this purpose.

Shri Sondhi (Punjab) : Tapioca is there.

Shri Sidhva: The Tariff Board does not recommend that. If anybody states that it will be useful, they must say that to the Tariff Board as I stated about tamarind seeds and it was promised to us last time by the hon. Minister in charge that it would be experimented and nothing is told now as to what has happened and whether any experiment was made or not.

Shri Sondhi: Tapioca has been offered to the tune of 50,000 tons.

Shri R. Velayudhan (Travancore-Cochin) : It is prohibited by the Travancore-Cochin Government as it forms part of food.

Shri Sidhva: If my friend Mr. Sondhi feels it is useful, he should tell the Tariff Board. I am only telling you of the position of starch from such material as I have and tamarind seed was the material suggested by the Tariff Board. Tapioca was also mentioned but it is not mentioned here because perhaps it is required for food. You should have given evidence before the Tariff Board and made a case. After all Tariff Board is open for everybody to give evidence. Therefore my point is that there are two factors. We can't produce starch without maize indigenously. Maize is not available. Have Government given consideration as to how they are going to give that. The Food Minister has failed to give even deteriorated maize and even the things that were available were not given to manufacturers. If they are going to import maize for this purpose, then the hon. Minister has to make it clear. Neither he nor the Tariff Board has made it clear. To-day we are going to stop imports because of our economy and we want to gain dollars. If you are going to import 75,000 tons for starch, then your currency will be upset. Has that all been borne in mind or not? Before taking decision and passing Resolutions on this subject have Government taken this matter into consideration? If they have taken, then let us know from where are they going to produce maize. If it is to be imported, then these are my views that it is going to upset all our programme regarding food and currency. Therefore I feel that howsoever regretful it may be in not protecting this industry, we have no other alternative in the interest of the country, but to allow import of starch to continue until we produce more maize in this country or until some other device like tapioca as my friend says is experimented and substituted for maize. Government therefore will not benefit this country in any way if after two years, in 1952 the position is the same, just as they did in 1948, and say the factories have not been able to do anything, and therefore either increase or if they are wise enough at that time, they will say this factory should be closed down. They cannot import. By that time if the maize is available more for production it may change the situation but even then the prices show that it will not be possible to compete with imported sago flour or maize. Why do you, therefore, unnecessarily burden the consumer? You are not going to benefit the industry, either. That has been my line of argument all along, on this question. I can still understand the desire to protect an industry, under the new set up, but I do not want to support an industry on mere sentimental grounds, that our industry must be protected. We must look into the facts of the case. As I have said, we propose to do this for the sake of a small industry, about 39 factories with a capital of about a crore of rupees. I can give some more figures. The cost of sago flour, I mean the landed cost is Rs. 20/1/3 and with other charges it comes to Rs. 21/- and if you add to this 20 per cent. duty it works out to Rs. 27/8/-. How is my friend Mr. Gadgil going to prevent imported sago flour being brought into this country against the highest price which I have quoted of the indigenous starch? Unfortunately Government do not seem to have gone into the details of all these factors. We are conscious of the desire to support the industry, but at the same time we must bear in mind that we cannot support it as the industrialists desire it. Sago flour is imported free of duty and because sago flour is utilised by the textile industry, therefore, the only solution is to apply protection. My friend took a very long time in giving us the history of this question and the background of it, and I am glad he did so. But he did not touch upon this particular point, as to what are the reasons which made Government come to the conclusion that they must support the Tariff Board in this respect.

Sir, I have very elaborately mentioned the factors connected with this question and I shall be glad to hear from Mr. Gadgil what he feels about this matter. Production of one ton of starch requires 1.8 tons of maize. This important fact must be remembered. It is not an insignificant quantity of maize that is required. 1.8 tons of maize goes to produce one ton of starch. All

these facts must be borne in mind. Nothing is going to suffer if this matter of starch is held over a little. Nobody is going to suffer. On the contrary, as a result of the proposed measure of protection, the consumer is going to suffer. Price of textile goods will be increased to that extent. No industry is going to pay it out from its pocket. Let the maize situation improve. It may improve, and if that happens, let the Tariff Board consider the position. If the situation does not improve, let the Tariff Board consider alternate raw material. Until then in my opinion, the question of protection to the starch industry should continue as it now is, without any additional duty being levied on sago flour.

Now, I come to the protection proposed to the textile machinery, for spindles and spinning ring frames, and I will not take more than a couple of minutes. This industry was started originally in 1947 and no experiments were made, though at the early stages the Tariff Board asked that experiments should be conducted. And so I have no proper data as far as this industry is concerned. But this is a big industry for which these spindles and ring frames are required and I certainly have no objection to supporting this part of the Bill, because I feel from the little information at my disposal that this industry in its initial stage requires protection. It does not cost anything to the consumer.

But as I have already stated, I am against the proposed protection to starch and I hope Mr. Gadgil will not stand on any prestige and press it. After all his prestige is my prestige. And I may tell him that he will rise high in the eyes of the public for it is really the consumer who will be affected. If Mr. Gadgil studies this report from that point of view, he will find that the larger interests of the country, the interests of 33 crores of people will be affected, as against the 39 industrialists who are said to be benefited by this measure. But as I have already said, this protection is not going to benefit even these 39 people but is going to affect the 33 crores of people as a result of the increased price of textile goods. Therefore, I hope he will drop this protection for starch.

Shri Hossain Imam (Bihar): Sir, I welcome this measure, and especially the attitude of the hon. Minister of Commerce. He has established a precedent which this House will honour and which, I hope, will be observed by other Ministers also.

I for one, am against the giving of short-term protection or inadequate protection to any industry; and consider it as merely a waste of time and a waste of energy. The industry protected must get adequate protection, and also protection for a time which will enable it to stand on its own legs. This doling out every two years a measure of protection, as Mr. Sidhva has described it, is inadequate and it does not advance the cause of the industry or the cause of the country. But knowing the circumstances in which this two years' protection has been brought in, I do not see any objection to it. The main reason why the protection has been given for a short period is that the Fiscal Commission of which you, Sir, are a member, has not yet reported. Even when it submits its report, it will have to be digested by Government and then a decision arrived at. That is one of the reasons why this measure is brought forward for a short period.

I am also opposed on principle, to placing any taxation on capital goods, because it increases the ultimate cost of the product, and as such it is a burden on the consumers, a fact which Mr. Sidhva very easily passed over.

Shri Sidhva: I did say about the consumers.

Shri Hossain Imam: Well, these textile machineries also have some strange features. In the Tariff Board's Report it will be found that in the case of a big concern dealing in textile machinery, the cost is higher than in the case of the smaller concern. That, Sir, also requires an explanation.

[Shri Hossain Imam]

The reason for it has been given by the Tariff Board, that the location of the bigger factory at a trade centre increases the labour costs, but the advantages of mass production and increased production should have really come to us—the users, and that aspect should be constantly kept under watch. I do not say that because of this factor protection should be refused, but I do advocate that it is a strange thing which makes it necessary that constant watch should be kept to see that they reduce their cost at least to the same level to which the smaller producers are working. In this connection I have referred to the Textile Machinery Co., which is a Birla concern.

Now, Sir, the fact must not be lost sight of that in the old days, when India was not a free country, protection was the only means open to us, but now that we have got the quota system, the import trade control system, all these are other methods which can be used in order to bring down the number of competing goods in the country. So it is time that we do not go in for only one method of putting an extra duty on goods so that the burden on the capital cost may not increase in future.

Mention was made about the textile machinery that all the raw materials are available. What I regard as more important is it is one of those industries which are basic industries on which the very existence of India is dependent. Unless we are able to produce cloth, our people will be put to great difficulties, and as such I regard the textile machinery industry as one of the basic industries in which the rule should be different from that of other ordinary protected articles as it is so essential for the well-being of the country. What I require, Sir, is that the Government should, as they have done in the Railway Department, standardize things. If we have standardized things the result is that the cost of keeping spare parts is reduced to a minimum. That is the reason why the Railway Board have adopted standards for all kinds of things. If we regard the textile industry as a national industry of the greatest importance, it is very necessary that we should have a standardized production of machinery. The production of the present concerns is not looked upon with great favour by the textile mills. They have their doubts on the workmanship, on the strength and capacity of our own products. It is for all these reasons, Sir, that I for one advocate that in such basic industries the Government should lay down certain standards; and they should have inspection of the goods produced. It is not enough that we should ask the industrialists to encourage indigenous production; we must guarantee also. Manufacturers must produce first-class goods for the money which they get, because after all is said and done, the capital goods if they are ineffective, they naturally increase the cost of replacement, and replacement costs being increased means increased production costs. All these things, Sir, make it necessary that at least in basic industries like the textile machinery, we must have standardization, inspection and controls. One of the controls which I would suggest is auditing of the accounts by a Government agency. Also if possible the appointment of Government Directors to these companies. If the public is going to pay the cost and bear the burden of additional duty for the well-being of the industries, it is necessary that in an industry as important as the textile machinery, we should have the right of inspection and control. I do not wish that we should interfere too much with private enterprise. I do wish private enterprise to feel that it is free, but it is free only so that it does not harm us. But if its freedom means harm to the country, there can be no two opinions on the subject and the interest of the country must prevail. I find that Prof. Ranga warned us about Discriminating Protection, but I should like to know whether he wants Indiscriminate Protection.

Prof. Ranga: Full-fledged protection with full responsibility for the State.

Shri Hossain Imam: Is the responsibility to be of the state alone or of the industries also and responsibility of the private persons also?

We, Sir, should like to know something about the maize scandal which Mr. Sidhva brought before the House. If it was the maize which had deteriorated and the West Bengal Government did not give it to the industry, what happened to it? I suppose it would not have been used by the human beings. Mr. Sidhva was very vehement on the fact that the duty will cost Rs. 40 lakhs on the consumer but he forgot that out of three there are two items in it which already had 18 per cent. duty in which the change-over is only two per cent.

Shri Sidhva: Sago flour is free today, although sago itself, an article of food is taxed.

Shri Hossain Imam: I am saying that as far as the consideration of duty goes, that part of the duty which is imposed on sago flour will be the additional duty while the duty imposed on farina and other starch will only increase from 18 per cent. to 20 per cent.

Shri Sidhva: 75 per cent. of starch is used by textile machinery from sago flour, the Tariff Board says.

Shri Hossain Imam: Another thing which I should like the House to note is that there are many industries which were started during the war for a specific purpose, because competitive articles were not obtainable from other parts of the world and it was no question of higher or lower costs; it was a question of obtaining the goods at all. Therefore, it may not be wise to protect all the industries which were started during the war because they were haphazard industries; they were not adequately organised industries and the machinery which they were using were not up to date machinery. At that time we could not get anything from outside. Therefore we used anything which we could manufacture, no matter at what cost or of what kind; in fact we used anything and everything in those days. Now at this time it is necessary that we should examine every industry from the view-point of its technical ability to compete in the world. It is only in the case of such industries which are essential for the well-being of the country, for strategic reasons that cost can be over-looked; but in all the rest of the items, we must have the criterion whether the industry is capable of giving us our requirements at competitive prices in the near future. I do not insist that an industry should give us our supplies at competitive prices today. That can never happen. There will be no need for protection left then. The people come to us for protection only on the ground that in the beginning they should be given help so that in future they may help us. Now in the textile industries, we find that some one or two of them are producing so little that they cannot be regarded as fulfilling the condition of any industry which can be protected. In the 39 industries leading with the starch, I am afraid many will be found which cannot satisfy this condition. We are anxiously awaiting, Sir, the report of the new Fiscal Commission. We hope, Sir, that it will stress all these points on which we require guidance today. Our policy of today has of necessity to be different from our policy of yesterday. In 1924 when the Fiscal Commission sat, the conditions were quite different from today. It is essential that the Government, the House and the public should rely on the expert opinion expressed by the Commission, after due enquiry and due weightage to all the interests concerned. For, after all, the consumer is the biggest partner and his interest in the last analysis must prevail. He can for the time being be burdened with extra costs, but always on the definite understanding that his burdens will be lightened in the future. If there is no prospect of that, no industry can qualify for protection in future. I support the Bill.

Shri Ramalingam Chettiar (Madras): Sir, I will not say anything about starch but I will confine my remarks to the other item.

[Shri Ramalingam Chettiar]

I was indeed surprised to hear my friend Mr. Ranga who was always speaking for the consumer.

Some Hon. Members: Hear, hear.

Prof. Ranga: He says that because they are the consumers.

Shri Ramalingam Chettiar: I am sorry he is making a mistake again. He is saying that the consumer is the textile mill and so he is supporting the Bill, but maybe it is because of his prejudice against the textile mill as it interferes with his favourite handlooms. He need not couple the two together. They are quite different. So far as the textile mill is concerned the cost is not paid by the mill management or even by the shareholder but by the consumer. The manager is not going to pay anything out of his pocket. It will only go to swell the price of the finished product. I am sorry that he should have taken the attitude that simply because, in the first instance, the money comes from the manufacturer he is paying the charges and not the actual consumer who has ultimately to pay.

In this case there is obviously, even from the note supplied by the department to us, no case for the increase except to help one class of manufacturers. The report itself refers to two classes of articles: one is ring frames and the completed machinery and the other is the parts. The parts bear a tax of five per cent. and the Tariff Board admits that five per cent. is enough. Even so in the interest of the manufacturer of the complete machinery we want to raise the five to ten per cent. not because his cost is increasing or he is entitled to any sort of protection but simply because the other man may import and assemble and in that way interfere with the business of this complete machinery manufacturer. This is an argument which nobody can understand. If the Tariff Board had gone into the history of the thing I do not think they would have made such a proposal.

During the war what happened was that on account of the difficulty in getting machinery from outside many of the mills, who could afford, improved their workshops. They manufactured whatever parts were possible in their own factories. I know that in some of the factories with which I am concerned the ring frames were made in the factories themselves and only the spindles and other parts were imported from outside or purchased elsewhere.

What is sought to be done now is that this practice of making frames and other parts should be given up in the interest of these complete machinery manufacturers. That is what it comes to. I may say that these so-called complete machinery manufacturers have not been economical and have not been selling their products at the price at which they can afford to sell.

I am glad that the previous speaker referred to the small manufacturers. He compared the prices quoted by them as against those quoted by the bigger manufacturers. For instance, in my own place there are two small factories coming up and they are able to quote much lower prices than the bigger manufacturers. Recently I had occasion to ask for a quotation with reference to some machinery which I wanted. The result was that in an estimate of Rs. 35,000 there was a difference of Rs. 9,000 between the quotation of the bigger and the smaller manufacturer, who was able to quote a lower price.

An Hon. Member: What about the quality?

Shri Ramalingam Chettiar: I am coming to that. This protection which is now sought to be given is not given to the industry itself but to some leakage in the bigger factories. That is what it comes to.

As regards the quality of the machinery, it is curious that the bigger factory which has been in evidence for some time has not been able to satisfy those who wanted the machinery. Recently I had a proposal for the expansion of the spindleage in one of the mills with which I am concerned. The actual difference in the prices as between the small and big factories in the country came to Rs. 35,000 to 40,000. When I asked my manager whether an order may be given to an indigenous firm his answer was that even though the cost price of British machinery may be Rs. 30,000 or 40,000 more than the highest quotation I received in the country, it was preferable to have the machinery from outside. So much with reference to quality. The man who is actually working the factory tells me that it is preferable to pay this extra cost for getting the spindles and frames from England rather than place the order in India. So it is not a question of protection being given with reference to competition from outside but it is a sort of subsidy given for bad workmanship and for inferior machinery supplied here.

Shri Himatsingka: There was a difference of Rs. 35,000 to 40,000 on one machine?

Shri Ramalingam Chettiar: The cost of the total expansion was 3½ lakhs. I can say that the ring frames and other parts manufactured in one of the mills with which I am concerned are working as well as any imported machinery. The production has not been less and in fact in one or two frames it was even more. So far as quality is concerned what we manufactured in our own workshop was quite equal to the foreign manufacture but in the opinion of my manager the machinery which we can get locally from these factories was not so good and that we ought rather to give the order to the foreign manufacturer than to the local manufacturer.

What is the meaning of the proposals that are before us? We are told: Even though you can make parts in your own workshop, do not make them. We will not allow you to get parts from outside and assemble the machinery in your own workshop. You ought to give orders only for the complete machinery in the country. That is what it means, because the five per cent. which is sufficient, according to the Tariff Board itself, for protection to be given to the parts is not left there but is to be increased to ten per cent. in the interest of the bigger manufacturers.

That is the first portion. The second portion is that ten per cent. should be continued in the interest of the local manufacturers who manufacture the complete sets. So you are discouraging whatever is being done in the workshops in the factories themselves and you are giving this sort of protection to inefficient machinery and to bad workmanship. So on these grounds I think this matter needs looking into. I hope the Government will not rush into this but make further enquiries as regards the actual quality and also the costs which are incurred by the small factories and the big factories, before they ask us to approve the present proposals. It seems to me that at the present moment this protection—I do not know how the Tariff Board came to the conclusion that it is necessary to give it—is not necessary at all. I can give one case. There is one engineering firm which has come into existence within the last four or five years, that is during the war period, called the Textool Factory. I believe the Government recognized its efficiency and they have given it some sort of help.

Shri Goenka: It is referred to in the Tariff Board Report.

Shri Ramalingam Chettiar: It is one of the recognized factories. It is able to manufacture at ten per cent. less than the quotations given by the bigger factories. It is supplying at the rate of one frame a week. That is its present

[Shri Ramalingam Chettiar]

capacity. It will have to increase its capacity because with its present capacity it will not be able to supply very much. But so far as the cost is concerned, as I said, it is able to sell at more than ten per cent. less than the quotation of the bigger factories. These are matters which the Government will have to look into before they finally make up their mind to give this sort of protection that they now recommend.

These are the facts which I want to place before this House and the Government for them to consider before they agree to these proposals.

Shri Goenka: *rose*—

Shri B. Das: I am glad you are interested in textiles.

Shri Goenka: I know nothing about textiles. But I have read the Report from page to page and I am convinced that there is very little case, at least so far as rings and frames and spindles are concerned, for protection. Before going into the general question of protection let me mention one or two points which arise out of the Tariff Board Report. This is from the synopsis of the Tariff Board Report:

"In regard to spinning rings and spindles, the Board has found on the basis of the cost of production that the existing duty of 5 per cent. *ad valorem* is sufficient to protect the indigenous industry. As, however, these are component parts of ring frames importers would be tempted to import them separately for assembly into the complete unit in the country, thus evading the higher duty on the complete ring frames. It is, therefore, necessary to raise the duty on the component parts to 10 per cent., the character of the duty being changed from 'Revenue' to 'Protective'."

Let me explain what a ring frame is. It is a frame in which rings and spindles are put in. The frame can be made by practically any blacksmith in India. Suppose a factory is capable of producing a frame, why should it be forced, as Mr. Ramalingam Chettiar has just now pointed out, to go to a machinery manufacturer and not only buy spindles and rings but also the frame, and pay more for it? That is one of the points which has got to be taken into account.

The second point is in regard to quality. There has been considerable difference of opinion in regard to the quality of the spindles, rings and frames produced by the present manufacturers. I am one of those who would like to protect indigenous industry and would like to see it prosper. But the fact is that unless the quality is the same as the quality which we import, in actual practice you not only raise the cost of production by paying higher price for the indigenous machinery but also have less production by these spindles. Therefore, the cost of production becomes higher and higher. I would only quote from the Tariff Board's Report. This is on page 28 of the Report:

"The Textile Commissioner's Office has commented as follows on the quality of indigenous ring frames: 'Reports so far received from the mills, who were working indigenous frames side by side with imported ring frames, go to show that whereas the indigenous frames just serve the purpose, they cannot compare favourably with the frames lately turned out by the English manufacturers who have incorporated several improvements based on the U.S.A. models. Furthermore, for lack of fully mechanised foundry and special tools, we cannot reasonably expect the indigenous frames to attain the same amount of perfection in castings, mouldings and machining of the various parts.'"

That is what the Textile Commissioner's Office had to say in regard to the quality of these frames. The Tariff Board, after examining several witnesses, came to the conclusion: "On the basis of the available evidence, we have found that, during the last three years, the industry has taken steps to expand its production as well as improve the quality of its products and that most of the ring frames manufactured in the country are *fairly satisfactory*, as regards their performance." Then I am told that in the recent Textile Conference which was held in Bombay, the textile industry as a whole objected to

the quality of the indigenous product. So there is definitely the opposition of the textile industry as a whole in regard to the quality of the indigenous ring frame. If that is the position about the quality and if the Tariff Board is satisfied that so far as spindles and rings are concerned they do not require any protection then why do we unnecessarily overload the Textile Industry? Besides you may remember that only in 1948 the duty was reduced from ten per cent. to five per cent. for the purpose of encouraging the textile industry—, then.....

Shri Chettiar: That was a revenue duty.

Shri Goenka: But the incidence is the same and the cost will be higher. Now, this being the case, when the quality is not satisfactory and when part of the machinery does not require any protection, I do not think it lies with the Tariff Board to recommend that the duty should be increased to ten per cent. That is one part of the story.

In paragraph 5 of the Synopsis which has been circulated to Members it is said:

"In spite of its satisfactory quality, indigenous manufacture of spinning ring frames and plain looms is handicapped in meeting foreign competition....."

The use of the term "satisfactory quality" here is not borne out by the Tariff Board Report, portions of which I have just read out to you.

An Hon. Member: There it was said "fairly satisfactory".

Shri Goenka: It is "fairly satisfactory" in the Report. Here it is stated "In spite of its satisfactory quality etc." And the Textile Commissioner's Report says that they just serve the purpose, but they are not of the same quality as the frames made by the British manufacturers.

What are we doing in regard to this matter? Before the Tariff Board Report was out we had completely stopped the import of the machinery from foreign countries. This is what has happened. In regard to a spinning ring frame no licence is issued for import from any source. It has been admitted by my friend the hon. Mr. Gadgil that the total capacity of ring frames to be manufactured in this country is 348 a year, that our requirements in 1950 are 625, in 1951 875 and in 1952 1,250. But in August an order has been passed, before they took a decision on the Tariff Board Report, to the effect that in regard to spinning ring frames no licence will be issued for import from any source. It is on page 15 of the Report. Imports of cotton textile looms, spinning rings and spindles will be permitted under a licence, but so far as spinning ring frames are concerned, no licence will be issued for imports from any source whatsoever.

So, while the Minister for Industry and Supply, in answer to a question this morning, stated that licences will be issued freely for the import of cotton textile machinery to replace the old ones, here is an order of the Commerce Ministry saying that no licences will be issued for the import of ring frames. That is a blanket ban against the import of ring frames from abroad. Whether you give protection or not, by a stroke of the pen you make it incumbent upon every textile mill to buy its requirements from indigenous sources. Although those sources are producing only about 50 per cent. of the requirements of the country today, and will produce about 30 per cent. of the requirements in 1951, and only 25 per cent. in 1952, a blanket order is there banning imports.

Shri Hossain Imam: When was this order passed?

Shri Goenka: In August 1949. It is referred to in the Tariff Board report too.

An Hon. Member: Who is the biggest manufacturer here?

Shri Goenka: It does not matter who it is. We are talking of principles, not of individuals.

Shri B. Das: Are the textile mills suffering for want of the ring frames?

Shri Goenka: I am not a textile mill-owner and I know nothing about the subject. All that I know is that here is a demand, here is a supply and here is a blanket ban on the import of machinery, and finally a statement of the Industry and Supply Minister that to anybody who wants to import such machinery licences will be freely issued. How can they freely issue licences when the Commerce Ministry imposes a complete ban on the import of such machinery?

Shri R. Khan (Bombay): Do you call ring frames and spindles machinery?

Shri Goenka: I think so.

Some Hon. Members: Parts of machinery.

Shri Goenka: Now, Sir, I come to another point and this to my mind is the most important point. That is the policy of the Tariff Board and the policy of the Government in regard to the Tariff Board and in regard to granting protection. The point is this. An industry applies for protection, protection is given, time elapses, and just before the period of protection lapses the Commerce Ministry again comes before this House for another lease of life for the protection of the industry concerned. There is no machinery with the Government—and I challenge them to produce it if they have—to find out whether the industry has carried out its part of the responsibility which was laid upon its shoulders by the Report of the Tariff Board. When the Tariff Board recommends protection to an industry, it has to satisfy itself, as the hon. Mr. Gadgil pointed out, that, in due course, the industry will be able to stand on its own legs and that protection will thereafter be no longer necessary. That is a condition on which the industry has to satisfy the Tariff Board before the Board recommends protection. Now, we have been seeing off and on, the Commerce Minister coming before the House and asking for protection for this industry and that industry. But does he come out with a statement that this was the recommendation of the Tariff Board when protection was granted in the first instance, that to such and such an extent the industry has justified the protection and that it has carried out the recommendations of the Tariff Board so far as it was concerned? Has it been done in any case whatsoever? We all know protection has been given to the cycle industry, protection is given to the sewing machine industry, protection is given to the sugar industry and the textile industry.....

Shri Gadgil: What about the newspaper industry?

Shri Goenka: The newspaper industry will never ask you for it. We won't come to you.

Mr. Deputy-Speaker: The hon. Member evidently is under the impression that the newspaper industry is not an industry.

Shri Goenka: I admit, Sir, it is an industry, but it will never come before the Government for protection and the day it comes for protection it will cease to be the newspaper industry.

Now, let me come back to my point. The fact is that all these industries have been given protection by the Government and the lease of life of such protection is being lengthened day in and day out. So far as the Industry and Supply Department is concerned, there is a Development department which is

supposed to see that the responsibilities laid by the Tariff Board upon these industries are carried out; but, in fact, nothing is done. Time passes and nothing happens.

My second point is that although the Tariff Board makes its recommendations and those recommendations are in the hands of the Government, Government in their good time decide according to the influence of the industry concerned in regard to the protection to be given to it. It is seldom given on the merits of the industry concerned. I can cite several instances now and I will take this opportunity of doing so. Take for instance the starch industry and the cotton textile machinery industry. On 8th October the Tariff Board submitted its report; in December a resolution was passed accepting the report; and in February the Bill is before the House for protection. Conversely I will give you an instance, which instance the hon. Members of this House know fully well. The House knows of the notorious case of granting indiscriminate licences for the import of soda ash and caustic soda with the result that prices dropped and millions of dollars were exported out of this country.

Mr. Deputy-Speaker: May I point out to the hon. Member that however useful the other points might be, they will not be relevant to this issue. It may not be right to go into various aspects in which other Departments of the Government or even this very Department has committed mistakes with respect to the grant of protection to other industries. It is enough if the hon. Member would try to confine himself to what has been done with respect to the industries which are the subject-matter of this Bill.

Shri Goenka: I am very sorry, Sir, but it has been allowed time and again. The hon. Mr. Gadgil wanted protection for himself at the time he introduced this Bill. While moving consideration of this Bill, Mr. Gadgil made a request to the Chairman who was then presiding, asking whether he would permit Members to raise the question of principle in regard to the protection for industries and also the policy in regard to the Tariff Board.

I am discussing nothing else but the policy of the Government in regard to the Tariff Board and if you rule me out.....

An Hon. Member: But the Chairman said it is not desirable to discuss that.

Shri Goenka: I want a ruling on that matter. If the ruling of the Deputy-Speaker is that the Members of this House are precluded from examining the policy of the Government underlying the Tariff Board, I will resume my seat.

Shri Gadgil: May I say a word? While speaking on this motion, I said that this was undoubtedly a small Bill but an important principle was involved, and as to whether it would be strictly relevant to discuss the main question of protection, it was certainly within the jurisdiction of the Chairman to decide. I left the matter there.

Pandit Krishna Chandra Sharma (Uttar Pradesh): May I submit that, in order to prove that the Department is in the habit of behaving in the same way, the giving of instances is relevant. By quoting instances and showing that at that time they did not do this, at that time they did not do that, and so on, the hon. Member is simply proving that they are in the habit of behaving in the way they are doing.

Mr. Deputy-Speaker: I do not want to shut out any relevant discussion. As it appears to me, the general principle of granting protection may not be quite relevant, whereas its application to the particular facts of the Bill before us may be more relevant. To quote various instances and a number of other cases where protection might not have been properly granted, is not relevant. It may be that in this case it may be properly granted. Therefore, I would

[Mr. Deputy-Speaker]

appeal to the hon. Member to confine himself to only those facts which are relevant to the grant of protection in this case, and if he finds that the principles enunciated in the matter of granting protection have been contravened here, he is perfectly right in referring as to how far those principles which have been enunciated in the Fiscal Commission Report have been contravened in this case. To that extent, he can certainly refer to the principle. So far as the illustrations are concerned, my own feeling is that those other illustrations are not relevant to the issue on hand.

Shri Goenka: I would like to know this. I certainly do not want to do anything which will go against your wishes in the matter, but if a matter has been referred to the Tariff Board as an urgent matter and that Tariff Board, as an urgent matter, submits its report on it and the Government does not take any action upon the Report at all for six months, and in fact, acts against the recommendations of the Tariff Board and the Report of the Tariff Board does not see the light of day—if these are the facts, can I refer to them or can I not?

Mr. Deputy-Speaker: If the hon. Member wants me to say definitely, I do say that those facts refer to some other matter and they are not relevant. If his submission is that those facts are referred to in this case, certainly all his statements are relevant, but what happened with respect to any other case is not relevant.

Shri Goenka: I wish to say—and I will stress and I will repeat—that so far as the Government is concerned, it did not decide the question of protection on its merits but on the pressure of individuals who are interested in the industries concerned. I repeat it, Sir.

An Hon. Member: Who is it in this case?

Mr. Deputy-Speaker: Whatever it may be, there is no good casting a general aspersion on Government. It is open to any hon. Member in relation to the subject matter on hand to show by facts how hurriedly or hastily Government have acted, or how they have been carried away by other considerations than the merits of the case. So far as that matter goes, certainly it is relevant. But to mention any other matters which are not here is not in order. As the hon. Member will kindly see, if he refers to any other matter the House is not in possession of that other matter. No hon. Member is in a position to answer it, nor even the Government can be prepared to answer it. These are the handicaps if a matter which is not the subject matter here, but some other matter, is referred to here by way of illustration. Both the Government and other hon. Members might find that the matter was really properly disposed of. They are at a handicap in that they cannot properly answer at all, because it is not the subject matter of this Bill. Under those circumstances, I would request the hon. Member to confine himself to this Bill and not make a general statement of this kind, which is not right.

Shri Biswanath Das (Orissa): May I make a submission? My hon. friend from Madras has just now said certain things which I consider a reflection on the decisions of this House. Government itself does not grant any tariff concession. Whatever is granted, is granted in the shape of a Bill which is passed by the hon. Members of this House. The decision for such protection flows from the decision of this House itself. Therefore, what my hon. friend said is a reflection on the decision of the House, to which he himself is a party. At best, he can, I submit, say that in his opinion the view of the House is not correct. That is the utmost he can say, and I claim and I submit that it would be unfair and out of order to say that the Government granted as a result of the decision of the House, (which is practically acceptance of the decision of

the Government) for protection of an industry, being influenced by personal considerations and outside influences but not dictated by the necessities of the occasion or the industry to which the protection was given.

Shri Tyagi (Uttar Pradesh): On a point of order. My feeling is that, if the discussion is curtailed and restricted by these considerations, the liberty of the House will be jeopardized to a considerable extent. Quoting instances to show that the Government generally takes to a policy, not in view of the needs of the industry but under pressure from some individuals, is not, I think, an aspersion. A Member must have the liberty to express his views in the manner he likes. This liberty of the House should not be curtailed in that manner. The instance he was quoting about the protection granted to the soda ash industry is certainly known all over the country. I think that is a very relevant fact which the hon. Member was quoting. The soda ash industry was once protected and then today it stands absolutely ruined. This is a matter of policy in which Government has really failed and that is an important thing. I beg of you kindly to let the hon. Member proceed. (*Interruption.*)

Mr. Deputy-Speaker: Order, order. I am not going to allow any further discussion on this particular point. I have heard Mr. Tyagi also. The hon. Member Mr. Tyagi has been sufficiently long in this House, and Mr. Goenka, though he has not been very long here, has sufficient experience. All that I could say is that there are many matters in which the Government may be at fault. There are a number of opportunities, as hon. Members are aware,—in the Budget discussion and other occasions—to refer to all those matters. There is no good, when a particular matter is not relevant to this Bill, to refer to it again and again, and cloud the issue. It is open to the hon. Member to confine himself to this Bill and say that there was such a hurry, for which there was no need, or that the Government does not seem to have considered it on the merits but it seems to have been influenced by other considerations than the merits. All that is within his limits. It is not a no-confidence motion against the Government and to say that the Government has acted in this manner in a general way is not relevant. Hon. Members ought certainly to confine themselves to the subject matter of this Bill. That is my ruling. I am not going to permit any further discussion. If the hon. Member has anything more to say on the Bill, he may continue.

Shri Goenka: Before I continue, in regard to this matter I would like to make a submission. I have heard Mr. Biswanath Das.

Mr. Deputy-Speaker: The hon. Member need not reply to it.

Shri Goenka: I must explain myself.

Mr. Deputy-Speaker: It is not necessary. It is a point of order. He said that the hon. Member was casting an aspersion on the House.

Shri Goenka: Certainly not.

Mr. Deputy-Speaker: It is not necessary for the hon. Member now to refer to it. I have not accepted that statement that it is a reflection on the House. The hon. Member Mr. Goenka only made a statement that the Government has been acting in this manner in putting forward a claim for protection. That is all that I understood him to say. He may kindly proceed.

Shri Goenka: I am glad you have clarified that matter. I did not mean to cast any aspersions on this House. All that I wanted to submit to you was this, that here is a Tariff Board—a statutory body, to which matters are referred to for advice in regard to protection to be given to a particular industry.

[Shri Goenka.]

When a matter is referred to the Tariff Board and the Board after exhaustive and detailed enquiries, submits its report, the Government not only does not take action on it, but acts against the recommendations of the Board.

Mr. Deputy-Speaker: Is it so in this case? To say that it was done in some other case is irrelevant. I do not want to be harsh on the hon. Member. All that I wish to point out to the hon. Member is that he is referring in an indirect manner to the same matter which he has referred to already. Therefore, the hon. Member will proceed without referring to this matter.

Shri Goenka: I submit to your ruling, Sir. So far as your ruling is concerned, that is the last word on the subject.

Shri Tyagi: Will you tell us about soda ash?

Shri Goenka: Since it is your ruling that I should not refer to any other matter, let me point out to you that although the Tariff Board has submitted its reports on other industries besides the one under discussion, the others have not come up before the House.

In regard to the merits of the question my hon. friend Mr. Ramalingam Chettiar has already pointed out that the price of the indigenous machinery is about ten per cent. more. So far as I am concerned, I would like to give ample protection to the indigenous industry, provided the industry fulfils the condition that it will be able to stand on its own legs and that the products of the industry are satisfactory in regard to quality. If the House is satisfied, on the basis of what I have said and what the report of the Tariff Board has recommended, that the industry requires protection, by all means, let it be given. Speaking for myself; I am not against protection; I am in favour of protection. But I insist that there should be fairness in the matter of affording protection, because it affects not only the amount involved in the machinery itself, but also in regard to production. What is the machinery for? It is for one of our biggest industries, one of our main industries, namely, cotton textile industry. If this machinery cannot produce the same quality and quantity of yarn or cloth as the imported machinery can, it will be unwise to stop the import of foreign machinery.

As I pointed out already, certain machinery have been stopped from being imported. When you stop the import of a particular machinery, the price of that machinery goes up two or three times, because anybody who wants that machinery has to go to the particular manufacturer and buy it. This protection which my hon. friend has been demanding from us is practically meaningless, particularly in the case of certain items which have been completely banned from being imported into the country. That is all I have to say and I hope and trust that the Commerce and Industries Ministries will take care to see that in future whenever they grant any protection to any industry they will take full and proper care to see that the responsibility which is laid on the industry is carried out by the industry. They will also see that whenever a matter is referred to the Tariff Board and when its report is received, they will lose no time in taking a decision.

Shri R. Velayudhan: Sir, my hon. friend Shri Sidhva has already given the house detailed statistical information about the starch industry. I cannot, however, help quoting certain extracts from the report of the Tariff Board on the starch industry.

"In 1947, the total production of starch amounted to 1,350 tons, and in 1948, to 3,599 tons. Having regard to the demand in the country, the production of starch by the industry is meagre."

Again, the report says:

"The production of tapioca starch was estimated to be about 18,000 tons in 1943. The current production of this variety of starch at present could not be estimated for want of data. It is understood that the Government of Madras and the Government of Travancore have banned the production of tapioca starch and have diverted tapioca for food requirements. Indigenous production of starch being meagre, the country's requirements had to be met from imports."

Therefore, the considered opinion of the Tariff Board is that indigenous production of starch will not be able to meet the requirements of the country. When the Tariff Board itself is of the opinion that the industry cannot fulfil the demands even for the next three years, it is surprising that Government should come forward with a Bill seeking protection for the industry.

The Report again points out that for the next three years we may require about 55,000 tons of starch. Even if protection is granted it is estimated that we cannot produce more than 3,599 tons. It is, therefore, evident that even if the 20 per cent. *ad valorem* protection were to be given to the industry, it will not be able to stand on its own legs.

The same is the case with regard to the textile industry. The Tariff report has estimated that for the next three years we require about eight million spindles. Even if all the factories in India engaged in this industry were to produce their maximum capacity, they will not be able to meet even a portion of requirements.

Therefore, all facts considered, my opinion is that this Bill is ill-timed and premature.

Therefore my opinion is that the present *status quo* should continue and the industries do not require any protection.

Shri B. E. Bhagat (Bihar): After the eloquent speeches of experienced parliamentarians, it becomes a bit difficult for a new man like me to deal with the technical aspects of the question but as a student of economics I have had my own views regarding this and I feel that I must express them in this House.

The Bill before the House seeks to give protection to two important industries. Individually they are not very big but they have relation to the basic industry in this country i.e., Textile industry. The starch industry is not in itself directly related to the textile industry but the products are required in the processing of the Textile Industry. Whereas the textile goods like the rings, spindles and looms are just as capital goods and capital machineries and they have a basic relation with the textile industry, these industries also have basic relation with the textile industry. It is of very great importance that when protection is granted or not granted, the House must take very serious view of it and judge it in all its pros and cons. The provisions of the Bill are that it seeks to grant a protective duty of 20 per cent *ad valorem* on sago flour and 10 per cent. *ad valorem* on certain cotton textile machinery. Besides it wants to increase the duty on imported starch from 18 to 20 and also on farina.

Sir, when the picture of the Bill is before us, it is obvious that the grounds for protection are there. It seems that the main consideration before the Tariff Board for giving protection to this is that these industries have had a very tough competition with the sago flour which constitutes about 75 per cent. of starch used by the textile industry. Therefore the basic reason being the cheapness of sago flour, they want to impose tax on goods coming from outside. But in the policy of protection that has been followed in this country before and after 1947 we find no change. Even the Tariff Board have given certain tests before granting protection and they have to consider whether the industry is based on sound lines and whether the industry has some natural or economic

[Shri B. R. Bhagat.]

advantage in cost of production in the market and whether the interest of the consumers lies in giving protection to it and the other grounds were whether the industry is capable of maintaining itself within a reasonable period of time without protection and the most important thing that has got to be looked after to-day is whether this particular grant of protection is in the national interest or not. To-day we are in the midst of a changing time and the time is such when all values change, values of life are changing and in this respect I think the whole scheme of protection that was there before Independence when national interest was not always a predominant interest must undergo a change. It must undergo a change when the Fiscal Commission makes its report and when we have committed ourselves to an economy which is not planless or when we are going to have a Planning Commission for the country which will draw an economic picture of this country. So in my opinion it appears that the Government should not be in haste and grant protection to this or that industry haphazardly in an indiscriminate manner. It should have a picture before it of what it should do and what repercussion it will have on the economy of this country when granting this protection. In this background it seems that if we analyse the case of these two industries, it appears that firstly the starch industry is after all a product of the last war. Before the war the industry did not exist and all the starch was imported. Only a little before war broke out, there were only two factories in this country. During the war just as other industries grew up in that artificial condition when all imports were stopped arbitrarily, about 45 factories grew up in this country during the war. But after the war the number of these factories, stimulated artificially as they were under peculiar conditions, declined to only 39 in 1943-1945. As the hon. Minister said that was the peak period for the industry and about 21,000 to 22,000 tons of starch were produced but Government, then under the impact of Bengal Famine in 1943, prohibited all production in the country as the maize was not available. But the same condition prevails to-day. You see from the report of the Tariff Board that the demand for starch in the country is about 50,000 tons under control and, if control on it is removed, the demand may go up to 80,000 and it requires a good deal of maize. One ton of starch requires 1·8 ton of maize at a very high rate of efficiency of production. That rate of efficiency is not available in this country. Most of the plants of the industry are not up-to-date while a good number of them are dilapidated and in a very uneconomic condition. At that rate of inefficiency one ton of starch will require not less than two or more than two tons of maize and so for producing 73,000 tons of starch, we require about two lakh tons of maize. In this food deficit—I know that by 1951 we may have achieved self-sufficiency in food—I do not think under this economy we will have sufficient maize that can be diverted from our food requirements to this industry. So it will not be advisable to grant protection to this industry only on the ground that if the imports are curtailed the industry will be able to continue. I think the starch industry suffers from a basic handicap and that is that it does not possess the natural and economic advantages which we should take into consideration before granting protection to any industry.

The natural and economic conditions in this case are not fulfilled. In other words, the raw material needed, will not be available. Even from the report of the Tariff Board it is obvious that in spite of the best efforts of these 39 factories, even rotten maize was not made available to them.

Another difficulty is that the price of maize is not uniform. It varies from Rs. six per maund to Rs. thirteen per maund. The Tariff Board while determining the cost, has taken the price of maize as Rs. ten per maund, but that is not the real price, for as I said, it varies very widely, from Rs. six to Rs. thirteen per maund.

Then again, if we compare the prices of the imported goods and the indigenous article, we come to the same conclusion, that the proposed protection should not be granted. The prices have been quite elaborately compared by my hon. friend Mr. Sidhva, and I need not repeat them all. The price of the imported stuff is Rs. 19/12 per cwt. for pink sago flour, the cost of White Lingga is Rs. 26/9 and that of maize starch is Rs. 33/11. The landed cost is Rs. 34/12 per cwt. But the price fixed by the Tariff Board for indigenous starch is only Rs. 41 or thereabouts. And so if we make a comparative study of the prices, it will be quite clear that this proposed duty of 20 per cent. will not be sufficient. As was stated by the hon. Member Mr. Sidhva, the Tariff Board itself has said that this duty of 20 per cent. is inadequate, and if we are to grant full protection, so that the industry may not have to compete with cheap imported sago flour, then a duty of 75 per cent. is required on pink sago flour and about 30 per cent. on white lingga and about 22 per cent. on maize starch. Therefore the very basis on which the Tariff Board recommended a duty of 20 per cent. is taken away. From the point of view of the prices of imported and indigenous goods, it appears that there is absolutely no benefit likely to accrue to the country from the giving of this protection.

We may look at the question from another point of view, namely, the cost of production of this starch. We have from the report of the Tariff Board, the information that for producing one ton of starch the cost is Rs. 821-87; whereas the cost of the imported stuff is only Rs. 785 per ton. This shows that there is very little difference in the two prices, and if the efficiency of our factories is increased a little, then we can expect the starch industry of our country to hold its own against the imported starch. Therefore, from this point of view also, there is nothing to warrant the grant of this protection.

Then coming to the question of cotton textile industry and its machinery I find little difference. In our country we have in all eleven factories producing these articles of machinery. There are four factories producing spindles, three factories producing rings and there are four loom factories. The total capital investment is about Rs. five lakhs.

Pandit Balkrishna Sharma (Uttar Pradesh): Is it five lakhs or five crores?

Shri B. R. Bhagat: I am sorry, it is five crores. Well then, the total demand for spindles during the past three years is about eleven lakhs. The demand for rings is about 3,000 and of looms about 26,000. And the price of indigenous rings is about Rs. 25,000 as compared to Rs. 24,803 of the imported rings; that of looms is Rs. 1,061 as compared to Rs. 1,100 of imported looms. We see therefore, that there is very little difference in the prices of the indigenous and the imported articles. If our industry improves in efficiency and improves the quality of its product, and if it produces to its optimum level, it will easily be able to hold its own against the imported goods. In this case also, therefore, the Government should not be in a hurry to grant protection, because the industry is capable of holding its own against the imported articles of similar quality.

Sir, before I resume my seat, I would like to mention one more point to prove my contention that these two industries should not be granted protection. Only the other day hon. the Commerce Minister said that India is committed to increase her exports. But I may say that this craze for granting protection will ultimately have the effect of restricting our exports. If you start curtailing your imports, if you begin taxing your imports, it will ultimately lead to the curtailing of your export. That has been the experience before the war and after the war, and that is what is happening in the European countries. If we study this experience, we have to come to the conclusion that once you curtail imports, then the ultimate result is that it gets infectious, it spreads

[Shri B. R. Bhagat.]

throughout the world and the result is restricted exports. Import quotas come in, import controls and tariff walls are created. We may remember that America had tariff walls before the war and this exchange manipulation is said to be one of the causes of the war. We are in the same position to-day. In India we are pledged to a higher standard in all walks of life. These measures of protection may appear little things, but their effect will be considerable. It may be asked what does it matter, this grant of protection to an industry involving a capital of a crore or two of rupees. But from the moral point of view, we desire that India must show the way, the good way. We are pledged to establish a multi-lateral trade, we are pledged to international co-operation. But this policy of protection stands in conflict with our declared objectives. Also it is in conflict with our national interest. We, who are in dire need of dollars and who have such stringent foreign exchange, must have a greater quota of exports. And for this greater quota of exports, we must follow a very liberal policy of protection. I mean that we must, while granting protection or taxing imports, take all the pros and cons into consideration. These must not result in the curtailing of our exports. Therefore, from this point of view also, from the moral point of view and from the point of view of narrow interests of nationalism, in my humble opinion, the grant of protection to these two industries is not wholesome, from the point of view of a nationalist or of an internationalist.

Shri Biswanath Das: Sir, I rise to give my support to the motion for consideration of the Bill. I do not agree with my hon. friend Mr. Sidhva in his conclusions. We have set up practically a permanent organisation like the Tariff Board. Whenever an industry seeks protection it is referred to the Tariff Board. The Tariff Board is expected to make enquiries fully or otherwise and as a result of the enquiry a report is being submitted, laying down the grounds on which protection is recommended or protection is rejected.

[SHRI HOSSAIN IMAM *in the Chair*]

On the basis of this recommendation, Government—I mean the Ministry concerned as well as the Standing Advisory Committee of the Department and thereafter the Cabinet—come to a decision. Therefore, a recognised process has been devised for purposes of affording protection or refusing protection in cases where industries require it. Whether that process has been properly gone through or not is one which is for hon. Members to scrutinize, and in this process of scrutiny, I take it that allegations are bound to come.

Sir, a nation after its resurrection and with its surging wave of nationalism and determination to stand on its own legs has to offer protection to a variety of industries in the country to enable industries to flourish. But how far, when and under what circumstances has this protection to be offered is one to be left to Government and to the hon. Members of this House.

Sir, in this regard, I was feeling that a fairly good enquiry has been undertaken by the Tariff Board so far as the cotton textile machinery was concerned, but I must frankly confess that after the weighty arguments placed before the House by my hon. friend, Mr. Ramalingam Chettiar, for whose sagacity, experience and moderation, I have got a very high regard, I feel that probably a discount is being placed, if the Bill would be passed into law, on the production that is being effected by textile mill-owners themselves in their mills to meet their own ends. That is a question on which I believe the recommendations of the Tariff Board are silent. That silence cannot be justified. I should, therefore, think here is a point to which Government ought to give their attention. Sir, nothing should be done in the course of giving protection to encourage inefficiency or speculation.

I have already stated on the floor of this House that it is a misfortune to this country that many of our businessmen are not industrialists. Most of them are speculators and the result is that whenever protection is given or tariff concessions are provided, very little of it goes to develop the industry and much of it flows into the pockets of the speculators. That is a question which should receive the serious consideration both of the Tariff Board and of the Government.

Sir, about the personnel and constitution of the Tariff Board I have something to say. But this is neither the occasion nor a convenient place to state what I have to say. Whatever my objections in that direction may be, I consider that the recommendations of the Tariff Board with respect to protection of starch are not very satisfactory. As I have already stated, I repeat that many such recommendations might be forthcoming hereafter in the interest of protection of our industries. Therefore, a thorough enquiry should be conducted by the Tariff Board in this regard. In case of any recommendation for protection, so far as I am concerned, I feel, Sir, that I expect from the Tariff Board not only a recommendation for tariff concessions or aid, but also a plan for the development of the industries. Along with it, I also expect that they should give us a clear indication of the period during which the tariff concessions are to be given. Sir, as you very rightly pointed out, periodical revision is good, but this doling out for one year or two years and then again coming and having the same trouble is no good to the industry nor to the development itself. Therefore, the Tariff Board in the course of its enquiry should give us an idea not only of its plan of development but also of the period for which the aid or protection is to be given. The quantum that is to be given as also the bounties or any other concessions that have to be given have to be clearly stated. Sir, this is not all. I expect that after such a report from the Tariff Board, Government has to give further attention to two other aspects of the question, which I propose to place before them. The first is that they must set up an authority which should look into the various stages of development that has been proposed and planned by the Tariff Board, which should see whether those developments are given effect to as a result of the tariff concessions. Suppose we give tariff concession to a certain industry and the industrialist receives the concessions and does not undertake the necessary steps nor spend money for the development of the industry and benefits him self. If the money or the tariff concessions go to benefit the pockets of the industrialists, the country suffers in the long or even in the short run, because any tariff concessions given or aid given to an industry means a loss of public finance and loss of public finance means public money misspent. Under these circumstances it should be the duty of Government to set up an authority to penalise the industries. Without this, I think it is like pouring water on sands. You give any amount of help; the concessions flow to the speculator and the industry remains as it is today.

In this connection let me refer the case of the sugar industry for which we granted protection for the past 17 or 18 years. It is today a lame industry and it is as it was 20 years before. I appeal to the Government, and I am glad, Sir, that both the hon. the Finance Minister and the Minister in charge of the Bill are there sitting together and let me hope that they agree also to set up a machinery.....

An Hon. Member: Also Defence.

Shri Biswanath Das: Defence is a Ministry—it wants money eternally. Let me hope that they put their heads together and devise a machinery to see that the development that is planned is being implemented out of the monies and out of the subsidies given to the industry.

[Shri Biswanath Das.]

Another complaint that I have against the Textile Board and the Government is this. Ours is a country which is wasting a lot of things it produces. In our forests we produce tamarind and thousands of tons of tamarind seeds are being wasted. The same happens with regard to thousands of tons of mango seeds. Why should not research be conducted by the Textile Board and by Government in any concerted manner to see that alternative sources of starch production are discovered so that our food resources are not affected.

Mr. Sidhva was making a lot of complaints and there is justification in his complaints. Under the present stress and necessity are we to forego our foodstuffs to the extent of $1\frac{1}{2}$ lakh tons for the industry needs about 80,000 tons? You have to put in 1·8 tons of maize to manufacture one ton of starch. Under the circumstances it looks as if you have to forego $1\frac{1}{2}$ lakh tons of valuable food stuffs to manufacture these 80,000 tons of starch. True it is that the price of starch is about $3\frac{1}{2}$ times the price of maize which we import from outside the country. So it is a question for the consideration of the Government, whether they should forego this quantity of foodstuffs under the existing circumstances. In any event I consider that the Government should proceed in a planned way and necessary action should be taken by them to see that the plan drawn up by them is implemented as a result of the concessions given to the industry in the form of protection.

I would even go further and propose that a penalty should be provided in any legislation for protection. I mean penalty in the sense that no businessman should be given the chance of benefiting himself at the cost of the public in the name of protection. If, protection is given and this money is being misused, instead of developing the industry to stand in competition in the open market after a given period of time the industrialist earns the penalty. In such an event the industrialists concerned must make good the loss to the State. Otherwise there will be no end to protection. This proposal may look odd but since we have embarked on a programme of protection it is necessary. It is thus a necessary evil. I would request the hon. Members of this House to allow the Government to go on its way in the hope that these results will be forthcoming and that protection, though sanctioned by the House, will be given only on a satisfactory solution of the points that are placed before the House.

Shri Himatsingka: Sir, I rise to support the Bill. In doing so I want to confine my remarks to the protection intended to be given to textile machinery. In this connection Mr. Goenka has tried to show to the House that the quality of the indigenous product is not what it should be and that Government has been hustled into bringing this Bill by interested parties.

The report of the Tariff Board is in the hands of Members. You, Sir, as a member of the Advisory Committee of the Commerce Ministry have also got a copy. You know the procedure that is followed by the Commerce Ministry. When any industry asks for protection it is referred to the Tariff Board. The Tariff Board makes the necessary enquiries and submits its report. The Ministry then tries to act upon the report as soon as possible. Nowadays they are able to dispose of these reports latest within two months and these two months are taken up in consulting the I. & S. Ministry and other associated departments. In this case you will find that the industry asked for protection sometime in 1947. Investigation was conducted but at that time as there was not sufficient material to find out the costing, etc., they postponed the matter till 1948. Again the matter was taken up in January 1949. Questionnaires were issued and a large number of witnesses were

called. Consumers were consulted, experts were examined and all the necessary processes were gone into. After duly considering all the materials before them they have made the report and Government has now come forward with the Bill in accordance with the recommendations made by the Tariff Board.

Taking the question of quality Mr. Goenka read out only a portion on page 28 which referred to the Textile Commissioner's office report. As you know, Sir, these office reports are not up-to-date and they compile a report up to a certain period at a time and when subsequent information comes at a much later date, they collect those materials and put them in the report. If Mr. Goenka had the fairness to read the subsequent remarks on the same page he would have found that the story is just the other way. I will continue to read from where Mr. Goenka stopped:

"A number of cotton mills located in different parts of the country have, however, testified that the ring frames manufactured by the Textile Machinery Corporation, Calcutta, are as good as the imported ones. The Management of the Victoria Mills, Ltd., Bombay, for instance, states that the Texmaco ring frame is as good as any of foreign make and that the quality and quantity of yarn produced on this ring frame are very satisfactory and that all parts are strong and well made. The managing agents of the Vasanta Mills, Ltd., Coimbatore (the place from which my hon. friend Mr. Ramalingam Chettiar comes) state as follows:

"We are running this (Texmaco) frame at the same speed at which the other frames of English make are working in our factory and we are glad to report that the production obtained on the new frame on 19s. count is exactly the same as obtained on other imported ring frames. The machine is running very smoothly and we are very much satisfied about its performance and the results given."

They do not confine themselves to this only. The Report reads further:

"Favourable opinions on the quality of Texmaco ring frames have also been expressed by the Jehangir Vakil Mills, Ahmedabad, Moradabad Spinning and Weaving Mills, Moradabad, Somasundaram Mills, Coimbatore, Lotus Mills, Sundarapuram, Podanur, Maneklal Harilal Spinning and Manufacturing Co., Ahmedabad, New National Mills, Ahmedabad, Vikram Mills, Ahmedabad, the Dhakeswari Cotton Mills, Narayanganj, the Adarsha Cotton Spinning and Weaving Mills, Narayanganj, Sri Sarada Mills, Coimbatore, the Century Spinning and Weaving Co., Bombay, the Malabar Spinning & Weaving Co., Kallai, Malabar, the Bharat Suryodays Mills, Ahmedabad....."

They go on to a number of mills and then they say:

"Besides, three representatives of the Textile Association of India, who are the respective spinning masters in three large mills in Bombay, inspected the Textile Machinery Corporation Works at Belghuria in December 1948; and three other representatives of the Textile Association of India, who are the respective spinning masters in three cotton mills in Ahmedabad, visited the Works in March 1949. These six textile experts from the two largest centres of the cotton textile industry in India (that is, Bombay and Ahmedabad) inspected the different sections of the works and examined the process of manufacture; and they have commented very favourably on the ring frames manufactured by the firm. One of them, Mr. G. A. Gidwani, Spinning Master, Shri Ambica Mills No. 1, Ahmedabad, has stated: 'Texmaco is manufacturing the machines in a most scientific manner conforming to the engineering standards of tolerances in the parts. The system of routine testing, the progress department and the division of labour have convinced me that the Texmaco is not only following the latest methods in the manufacture of its machinery, but is also adopting the modern trend in workshop practice to ensure maximum efficiency of quantity and quality of the product.' A second representative, Mr. R. T. Aminbhavi, Spinning Master and Factory Manager, Nutan Mills, Ahmedabad, has stated: 'The entire process of manufacture of the ring frame with all its various components is very carefully planned and a battery of precision machines laid out for the purpose. What impresses one most is the tool room where very accurate tools, jigs and gauges are first manufactured. A very high standard of accuracy and efficiency in the process of manufacture is maintained all through.'"

Representatives of other mills have commented similarly and this favourable Report goes over five pages. And Mr. Goenka stopped after reading only five or six lines in the beginning and left out the six or seven pages which deal with the quality.

[Shri Himatsingka.]

Similarly about the looms also, at page 33 (para. 15) it is stated:

"The representatives of the cotton mill industry, in their written memoranda as well as in the oral evidence tendered at the public inquiry, have stated that the indigenous looms compare favourably with the imported looms as regards their quality and performance."

So far regarding the quality. In the Conclusions also the learned Members of the Tariff Board have stated:

"As regards the quality of ring frames, most of the ring frames manufactured in the country are fairly satisfactory and, given the necessary facilities the manufacturers will be able to effect further improvement in the quality of their ring frames."

That disposes of the objection as regards quality. And what is it that we are asked to do? As you will find, previous to October 1948 the duty was ten per cent. On and from 23rd October 1948, by a Government notification the duty on some of these articles was reduced to five per cent. Now the recommendation is that the reduction of five per cent. may be done away with and the original duty of ten per cent. may be restored in order that these indigenously manufactured articles may have the necessary protection and they may be able to better the quality and meet the needs of the country. In this connection I will draw the attention of the House to a very important statement made by our hon. Prime Minister. He said that in Japan no two sets of machinery were imported; they used to import one set of machinery and took steps to duplicate the same in their own country. If we cannot do that, surely it is up to us to give the necessary protection to those who are taking steps to produce the necessary machinery which is required by one of our most important industries in the country—I mean the textile industry. And what is the protection we are giving? Only restoring the duty that was in existence before 1948.

Another thing that Mr. Goenka stated was that by one stroke of the pen the Commerce Ministry has stopped the import of all ring frames. There again I am afraid my hon. friend either misunderstood the Report or he did not follow what it meant. As you know, on account of the balance of payment position, from time to time there have been changes introduced in the Import Policy. In the period January to June 1948 the import was "licensed liberally from all areas." From July to December it was "licensed liberally from dollar and hard currency areas; O.G.L. for Japan, and medium and soft currency areas." From January to June 1949 also it was liberally licensed, but when the position became very bad, during a certain portion of this period a certain amount of brake was put on imports. On account of the adverse balance of payment position there was a change, and it is said (page 15) that in regard to cotton textile looms, spinning rings and spindles "licences will be issued for imports from the dollar area, Western Zone of Germany, Switzerland and soft currency countries".

Only in regard to spinning ring frames no licences were to be issued. That again was on account of the adverse balance of payment position.

Therefore, to say that the Government took steps unfairly to stop all imports is not fair and the position has not been placed before the House properly. That will show that the Government has taken steps on the basis of the recommendations of the Tariff Board. As you will find from the terms of reference to the Tariff Board—they are the usual terms of reference—the Tariff Board has to take into account whether the industry is properly established or not, whether it is being conducted on sound business lines, and whether or not it is an industry to which it is desirable in the national interest to grant protection or assistance. All these considerations have

been taken into account and the Board has made its recommendations after carefully going into them. I therefore think the House should give its support to the measure brought before the House.

Shri B. K. P. Sinha (Bihar): Sir, I rise to support the Bill. I have been at pains to discover any substance in the arguments advanced against the imposition of these protective duties. I must admit that I have failed. I feel that the approach of the hon. Members who are opposed to the imposition of these duties is rather unrealistic. They are treating the question of imposition of protective duties against the import of sago flour as if it were an isolated question. It is not an isolated question but forms part of the bigger question of affording protection to the starch industry.

A few years back this House thought fit to extend protection to the starch industry, but a lacuna was left in that legislation. It has now been discovered that the protection that this House granted to the starch industry is being nullified due to that small lacuna which was left in the legislation. The unchecked import of sago flour was nullifying the protection that was granted to the starch industry. When we discover that lacuna, I think it is the duty of this House to fill it up.

The imposition of this protective duty has been sought to be opposed on the ground that it will mean a great burden on the consumer. But people who have opposed the Bill on this ground have in the same breath expressed themselves in favour of protection. I think they are blowing hot and cold in the same breath. Every act of protection means that the prices of the commodities protected shall rise and to that extent the consumers as such will suffer. But what the people lose as consumers they gain as the generality of the public, because there is more wealth in the country; not only do the capitalists prosper, but the labourers also prosper, the public exchequer gains, and as such what we as consumers lose we as the people gain. So, in this sense protection to this industry is justified.

Very many figures were quoted by the hon. Member from the Madhya Pradesh who wanted to prove that by the imposition of this duty there will be a burden of Rs. 40 lakhs on this country. But this 40 lakhs will be spread over hundreds of millions of yards of cloth and as the hon. Mr. Gadgil has shown, the burden on each yard will come to a very small amount. If we spread the burden on the people, we find that the Rs. 40 lakhs will be spread over thirty-three crores of people and so the burden on each individual will be near about eight or six annas per annum. If we take the figure of the burden on every individual every month, it will be an infinitesimal amount and it shall not be so heavy as to make the people feel it.

The next point is that there are no raw materials in this country. I come from a State in which maize, the chief raw material for this industry, is produced in profusion. As a matter of fact, the produce of only one district, say Purnea, Darbhanga or Muzaffarpur, shall be sufficient to feed this whole industry. Just at present, due to the shortage of foodstuffs there is a competition between the people as consumers of foodstuffs and this industry as consumers of starch, and therefore we feel there is a dearth of this raw material. But if a free field is left to the starch industry to tap the products of certain areas or certain districts, they will have plenty of raw material. Moreover, as has been recently laid down in this House, we shall be self-sufficient in the matter of food in 1951 so that after 1951 this industry will not have to face competition with the consumers of food. Another factor is that there is plenty of food that is wasted and allowed to rot in this country. Whatever precautions Government may take to preserve and protect food, in

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the very nature of things every year considerable quantities of foodstuffs rot and those quantities of rotten foodstuffs will be very good raw material for this industry. In this particular field there shall be no competition between us as consumers of food and the starch industry as the people who need this raw material.

The hon. Member from Madhya Pradesh quoted many figures on the basis of which he wanted to prove that the protection that was sought to be afforded to this industry is meagre and will not serve the purpose. I agree with him, but I feel that is an argument for giving a higher protection to this industry and not an argument for giving a smaller protection which we are actually doing.

Then I come to certain arguments about the textile machinery industry. An hon. Member was pleased to state that we have certain other methods now by which we can control the imports of requirements from foreign countries—methods like quotas, exchange control etc. Those methods are good enough but even if they are adopted the prices will rise and consumers will stand to lose. When we have to choose between the two, we should rather have a method which affords protection for a pretty long and definite period than have measures which are temporary in their very nature. It has been observed that the quality of the textile machinery referred to in this Bill does not come up to the standards of foreign products. As some of my friends have shown by quoting the report of the Tariff Board, the quality of these products is "fairly satisfactory" and the worst that can be said is that they "just serve the purpose". But I would like to ask this. When have industries which produced articles of first rate quality needed protection? Protection is always needed by industries when they are just struggling to establish themselves and in the very nature of things they cannot, at that stage, produce qualities of first rate. Unless we give protection to such industries it is my apprehension that they will stagnate and die without ever having the opportunity of producing first rate products. As such I feel there is considerable necessity for the imposition of a protective duty here.

Some hon. Members asked whether this House would like to go from a policy of discriminating protection to one of indiscriminate protection. I for one would say that I would much rather prefer a policy of indiscriminate protection than have a policy which leads to the languishment of our industries. Sir, with these words, I support this Bill.

Shri M. C. Shah (Bombay): Sir, I rise to support the motion moved by the hon. Minister that the Bill be taken into consideration. Sir, I come from Ahmedabad which is one of the main centres of the textile industry and I am speaking from the practical experience that I have gained there all these years. Though I am not directly connected with any of the mills there, I know something about the working of the textile industry there.

We all know that the textile industry is one of the basic industries of the nation. We also know that it has struggled against heavy odds in the past so many years. It had to undergo competition against Japan and other countries. It had all along to depend on machinery from foreign countries. We used to spend crores of rupees to bring capital goods for the textile industry from the U.K., Germany, Japan and the United States. During the last war, certain ventures started manufacturing these machineries in India. The question before us ought to be, at this stage, whether we want to remain dependent on these foreign countries or whether we want to be independent by encouraging the indigenous manufacturers of these machineries.

Fortunately, we have in India enough talent, enterprise and raw materials. Some years ago, it was not possible to have a single spindle manufactured or a single spinning ring made—not to speak about spinning ring frames. Now, we are manufacturing plain looms, spinning ring frames, spindles and spinning rings. The indigenous manufacturers have supplied these machineries to certain important mills referred to by the hon. Member who preceded me. The three mills he quoted are owned by very important persons in the textile industry. The Vikram Mills is one whose Managing Agent is the President of the Millowners' Association. The New National Mills is another whose Managing Agent is the Vice-President of the Millowners' Association. They have all testified that the indigenous manufactures are up to the mark. Therefore, if enough encouragement is given in the shape of protection, I am sure that in the course of a few years we will be in a position to manufacture all the machineries required by the textile industry. Thereby, we will become quite self-sufficient and stop the drain of crores of rupees every year in the form of the value to be paid for capital goods we import. I see that the House is almost unanimous on the principle of protection. But it finds some loopholes here and there. I quite understand and realise that while giving protection certain conditions must be laid down, and those conditions must be fulfilled. Government can insist that the indigenous manufacturers must fulfil the conditions laid down. But why fight on the question of granting protection to this industry, which requires protection in the initial stage?

One objection has been taken that the Tariff Board has stated that five per cent. will be quite proper, but if you study the matter fully, you will find that there are merchants who will import these spinning rings and spindles and assemble them here and thereby compete with the spinning ring frames. I think that the ten per cent. that is proposed is absolutely necessary and we should not fight over it. If enough encouragement is given, not only will we be in a position to manufacture these spinning ring frames and looms, but we will be in a position to manufacture all the machineries required by the textile industry. The textile industry, as I said before, has survived, notwithstanding all the storms it had to face. Today, the position is that we can export our cloth to countries outside India. I know of an instance where there was an enquiry for millions of yards from the United States addressed to one of the leading mills in Ahmedabad. So, slowly and slowly, we are building up our export trade and our textile industry is prospering. In order to make it self-sufficient and make it still more prosperous, we must also encourage the manufacture of machineries required by it and this Bill seeks to achieve that very purpose. I have therefore great pleasure in wholeheartedly supporting this measure.

Shri D. D. Pant (Uttar Pradesh): Sir, long speeches have been made for and against this Bill in this House.

Shri Kamath (Madhya Pradesh): Not very long.

An Hon. Member: Yours may be longer.

Shri D. D. Pant: In fact, ordinarily, I would have wholeheartedly and fully supported my hon. friend Mr. Goenka, but even in his speech I found that he was a little confused. We have all been thinking in terms of the economic principles of the 17th century. The question is a simple one—protection. From the point of view of the consumer, I will instinctively rebel against any sort of protection, but from the point of view of the nation, we can agree to protection, provided the advantage of that protection goes to the people, and not to the individual capitalists. To think that the capitalists will share their advantages with the consumers is like thinking that the cat, after fattening, will share her fat with the

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rats. It will only need more rats to eat. So the simple thing is this. If you can give the advantage to the nation, that is, if you nationalise the industry, then, by all means, impose a tariff duty of even 100 per cent. if you like. We will agree to it. Impose even 200 per cent. We will agree to it, because in that case we will be paying more prices, or making more sacrifices, for the sake of the nation, but not in order to fatten individual capitalists. I think every Member of this House will, from the point of view of the consumer, oppose this Bill. The advantage will go to the individual capitalists, not to the consumers. These individual capitalists go to foreign countries and squander their money there. Even now, they have started going to foreign countries after making money here to invest it there. They can hide their profits in a thousand and one ways. Even the Police cannot catch hold of all the thieves. If a hundred people commit theft, only one is caught. So my simple submission is that this House must be assured that the advantage of the protection goes to the nation. If the right hon. Mr. Gadgil wants protection, he should nationalise both the starch industry and the frame making industry. I do not think it is necessary to waste any more time of the House, and I request the hon. Members to seriously consider the point that I have placed before the House and bear this new outlook on the whole question.

The House then adjourned till a Quarter to Eleven of the Clock on Thursday, the 16th February, 1950.
